CHAPTER VI

SUMMARY AND CONCLUSIONS

6.1 INTRODUCTION

The summary of findings and derived conclusions of the analysis are presented in this chapter. Policy suggestions that might be drawn from the analysis are also indicated. The summary of findings about the growth of education and educational expenditure is presented in section one. In section two the summary of findings about the factors influencing demand for education is presented. The summary of findings about the distribution of benefits of government expenditure is presented in section three.

SECTION ONE

6.2 GROWTH OF EDUCATION AND EDUCATIONAL EXPENDITURE

To know the growth and development of education and expenditure on education in India, Tamilnadu and also in Coimbatore district, the secondary data related to various educational indicators such as enrolment, number of institutions and government expenditure were analysed. The annual growth rate was calculated for these variables. This analysis was made separately for India and Tamilnadu. This growth rate analysis makes us to understand the annual percentage increase of the variables such as Enrolment, Institution and Government Expenditure on Education.

6.2.1 Enrolment in India:

The growth rate of enrolment in India was analysed according to different levels of education viz., primary, middle, high/ higher secondary and higher education. It was found that the growth of enrolment in primary education was increasing considerably during the period of study. As far as the middle education was concerned the rate of growth in enrolment was higher than the rate in primary education. In the case of high / higher
secondary education the growth rate was relatively higher on an average than the other two levels of education. The growth rate of college education was remarkable in the initial stages of the study period and afterwards the growth rate was moderate.

6.2.2 Educational Institutions in India:

The growth rate of educational institutions at national level was calculated for different levels of education. The growth of primary educational institutions was gradual though there was some fluctuations. In the case of middle level institutions the growth rate was little higher than the primary level institutions. The growth rate of high/higher secondary and higher educational institutions were showing a mixed picture. Though there was considerable growth rate, there was fluctuation between the years. However the observed growth rate was relatively higher during the period of study.

6.2.3 Expenditure on Education in India:

As far as expenditure on education in India was concerned, the plan outlay was more for elementary education and then it was followed by secondary and college education. The share of technical education was almost constant during the past four plan periods.

6.2.4 Enrolment in Tamilnadu:

The growth rate of enrolment was analysed levelwise and also genderwise. In the case of elementary education the growth rate of female was more than the male. Same was the case for middle education and high / higher secondary education and higher education. It was found that though there was fluctuations in the enrolment of males and females, the female enrolment was relatively more than the male.
6.2.5 Educational Institutions in Tamilnadu

The growth rate of educational institutions reveal that there was moderate progress in the growth of elementary institution. The growth rate was relatively higher for middle level institutions. In the case of higher secondary institution also the growth rate was relatively higher than elementary and middle level institutions.

6.2.6 Expenditure on Education in Tamilnadu

It was found that the share and growth rate of revenue expenditure was more than the capital expenditure. The level wise expenditure revealed that the rate of growth was more in middle level of education (which included high school education). It was followed by primary education and then by higher education.

SECTION TWO

6.3 FACTORS INFLUENCING THE DEMAND FOR EDUCATION

In order to understand the social and economic factors which were responsible for demand for education among the sample households, three methods were tried viz., OLS method, Probit method and Logit method. The demand for education was analysed for different levels of education viz., primary, middle, high/higher secondary and higher education. In OLS method as far as primary education was concerned father's age had played a dominant role in the determination of demand for primary education. It means that higher the father's age, the demand for primary education among those households having aged father, was less and vice-versa. In this case, cost of education, parent's education did not show any significance. But father's income had negative influence on the demand i.e. higher the father's income, lower was the demand and vice-versa. It has accepted our hypothesis that demand for education is influenced by income. It had negative influence on the demand for education.
In the case of middle education also lower income group had more demand for education. The other variables which had positive significance were father's working hours, government employed mother and number of children. But self employed father had negative influence. As far as high/higher secondary education was concerned, the participation of the rural households was more. Fathers having higher income and fathers employed in private organisation had high demand for education at high/higher secondary level. In the case of higher education, family size, parents employed in government, private organisation and wage paid labour had positive significance at five percent level. Likewise, bigger families also had positive influence on the demand for education at one percent level. It means that the occupation of father and family size had positive influence on the demand for higher education.

The Probit analysis for the same set of variables at different levels of education reveals that rural households had more enrolment at primary level and unemployed father, private employed father had less enrolment. Family size, government employed mother and private cost had positive influence on the demand for primary education. As far as middle education was concerned rural households had more enrolment. Forward community had less enrolment and likewise households consisting self employed father, private employed father and wage paid labour had less enrolment. But scheduled caste/tribe households had more enrolment. Aged father had negative preference towards middle education. But in the same case, mother employed in government had more enrolment. Households income also had negative influence on demand for middle education. The household income and government employed mother was among the significant variables both in OLS method and Probit method. They had negative and positive influence respectively.
In the case of high/higher secondary education, rural households, households consisting mother as self employed, government employed and private employed had positive significant influence. But fathers working as wage paid labourers and unemployed had negative influence. But households belonging to most backward community and private cost had positive influence on the demand. Probit estimate for demand for higher education reveals that rural households participation, land property owned household, government employed mother, mother working as wage paid labour and forward community had positive influence on the demand for higher education. Variables like father as self employed, wage paid labour and private cost had negative influence. It may be understood that in the case of higher education if higher was the private cost, lower was the enrolment.

The Logit method of estimation for demand for education was also made for four levels of education. Analysis on primary education reveals that family size, number of children, mother working as self employed, government employed and scheduled caste/scheduled tribe household had positive influence on demand for primary education. Households income and father's age had negative influence. In the case of middle education, father's education and most backward community households had positive influence at one percent level. The household income had negative influence at one percent level of significance. It has accepted our hypothesis that household income has negative influence on the demand for education at lower levels of education.

The Logit estimate for demand for high/higher secondary education reveals that the urban households, number of children, father's income, mother's education, land property owned father, self employed father, unemployed father, household income and private cost were the variables which had positive influence on the demand for high / higher secondary education. In the case of higher education, family size, father's age,
father's income, mother's income, land property owned father, mothers having more working hours and private cost had positive influence.

The common variables which were identified as significant from both Probit and Logit analysis were family size, scheduled caste/scheduled tribe households and father's education. These variables had positive influence on demand for primary education. Father's age had negative influence. In the case of middle education households belonging to scheduled caste/scheduled tribe and most backward community, father's education had positive influence. And household income had negative influence. As far as high/higher secondary education was concerned most backward community, private cost, rural households and households income had positive influence. Variables like father's income, forward community, mother's education had positive influence on demand for higher education and scheduled caste and scheduled tribe community and private cost had negative influence. In a nutshell, we can conclude that household income, parent's occupation and parent's education had positive influence on the demand for education and lower community groups (SC/ST, MBC, BC) had more demand at primary and middle level.

SECTION THREE

6.5 DISTRIBUTION OF EDUCATION AND EDUCATIONAL EXPENDITURE

Analysis on the distribution of education among different income groups in the study area found that according to the measure of household income and household per capita income, lower income group was benefited more by the expenditure on primary and secondary education. The higher levels of education was received more by the higher income group. Same was the case for both rural and urban area. But analysis on social group registered a mixed picture. In the case of primary education, all the section of the society were utilizing the services more or less equally. An important observation made
here was that though a household belonged to forward community having low income they preferred to send their wards to government institution. It means that rather than the social group, the level of income plays a vital role in the distribution. In the case of middle education, BC, MBC and SC/ST were benefited more. But as far as higher education was concerned other communities were receiving the services more than lower social groups. It might be due to higher rate of dropouts at the middle and high/higher secondary level among SC/ST, MBC, BC and also due to the higher cost of education. It has proved our hypothesis that lower levels of education is pro-poor and higher levels of education is pro-rich.

In urban area as far as primary education is concerned other communities and scheduled castes and tribes were having more enrolment. Backward and most backward communities were having lesser enrolment rate. But in the case of middle education BCs and MBCs were having more enrolment. In the case of higher education OC, and MBCs were benefited more than the other groups. In rural area BC, MBC and SC/ST were having more enrolment in all levels of education. This analysis has also revealed that lower levels of education was pro-poor and higher levels of education was pro-rich.

Analysis on the pattern of distribution of government expenditure by income and social groups was made to understand the average share of each household in the public expenditure on education. The expenditure on primary and middle levels of education was received largely by low income groups. In the case of high/higher secondary education, the share was higher for higher income groups. The same analysis for different social groups revealed that the pattern of distribution highly favoured the backward community and most backward community and then scheduled castes and tribes. The share of OC group (forward community) was low.
Another analysis on the distribution of government assistance on education was made to know the pattern of distribution of government assistance among different income and social groups. It revealed that the students from low income group were receiving more assistance on education from the government in different forms when compared to middle and high income groups. The same analysis for different social groups revealed that different types of assistance was largely received by the students from BC and SC/ST social groups. Analysis on the assistance at different levels of education revealed that the students at high/higher secondary level of education were receiving more concession on fees. Analysis on the influence of government assistance on enrolment of the students revealed that the assistance provided by the government significantly influenced the enrolment of students in schools and colleges.

As the researcher has mentioned earlier (in chapter II), many of the studies on demand for education have used the household production frame work and it was proved to be valid in the studies of this nature. The present study has also followed the same framework. Likewise, the earlier studies were identified the socio-economic characteristics of the households as the major factors which influenced the demand for education in general. To be specific, factors like family income (Edwards, 1975; Evenson and Rosenzvig, 1975), parents' education (Evenson and Banskota, 1978; Makhija, 1980), size of the family (Chernichovsky, 1981) and mother's hours of work and father's occupation (Arumugam, 1983) and private cost of education (Bray, 1996) were successfully identified as the factors which strongly influenced the demand for education.

The present study also identified that family income, occupation of father, family size, parents' education and mother's working hours and private cost of education had significantly influenced the demand for education. The significance of the present study is the inclusion of mother's occupation as one among the variables and Probit and Logit
methods used for analysis of demand for education. Traditionally, OLS method alone was used to study the demand for education. Afterwards either Probit or Logit analysis was used instead of OLS method as it has its own limitation. But, the researcher wanted to compare the results and validity of these three methods. Though there were few contradictions in the identification of few variables, most of the socio-economic factors were identified as significant in Logit and Probit methods. In the case of mother's occupation, it had positive influence on demand for education. To be more specific, wherever the mother was a government employee, the enrolment of students and thereby awareness of the importance of education was more than other occupation group mothers.

Another important contribution of the present study was relating the demand for education and consequent benefits derived by the households. It can be claimed that the present study might be first of its kind in studying both demand for education and distribution of benefits. Most of the previous studies have studied either demand for education or distributive effects of educational expenditure. The present study has related these two aspects. On the basis that unless there is demand for education in a household, that household can not be a beneficiary of the government expenditure on education. Hence, identifying the factors influencing the demand for education may lead to the evolution of policies from the point of view of how the government expenditure on education was distributed. With this view the analysis was made and on the basis of the results the suitable policies were also suggested.

6.6 POLICY SUGGESTIONS

The findings of the present study have some specific policy suggestions and they are stated below.
1. From the present study we understand that the demand for education is strongly influenced by the economic variables such as income, property etc. rather than social variables. Hence, availing the higher education by the low income groups has become difficult nowadays. In order to achieve equity in higher education, the higher education may be subsidised so as to enable the lower income groups to avail higher education at least to some extent.

2. While determining the target groups of educational facilities and assistance, income of the household may be considered as the rational criteria rather than social classification. If income is considered as a criteria, we can establish equity in education at least to some extent.

3. At present education is provided both by the government and private sector, Those who can afford to pay the cost, they receive education provided by the private institution (unaided) where the infrastructure is relatively better. But the poorer section of the society and left to receive education at government institutions where infrastructure is poor in most of the cases (except few specialised institutions). It results in less competitive skill among the students coming out government institutions. Hence, it is the need of the hour to strengthen the infrastructure in government institutions. It will help the poorer section of the society to receive better education.