

AN ANALYSIS ON HOW SOCIO ECONOMICS FACTOR DETERMINANTS OF HOUSEHOLD EXPENDITURE ON SCHOOL EDUCATION IN ERODE DISTRICT OF TAMILNADU

Abstract

Education performs a essential role in our economy. It is part and parcel of human life. This paper examines the volume of family expenditure on education for exceptional populace agencies, the usage of number one records for this reason. Information are analyzed the use of SPSS software program. The determinants of circle of relative's expenditure on education are changes in household income and government expenditure on schooling. Household expenditure on education is widespread; even families from lower socio-economic, low-income groups spend sizable sums on getting an education. a few critical gadgets of household expenditure on education are school fees, private coaching fees, book cost and transport charges. Even inside the case of state schools, students seem to pay massive sums for stationery and uniform fees. There are enormous variations in household expenditure among expenditure on children attending government, government -aided and private schools. The various determinants of household expenditure, household characteristics are crucial, especially household income and the occupation of the head of household. Other critical determinants encompass family demographic burden, such as size of household dependents and religion. it's far commonly believed that the form of organization is a totally important determinant of household expenditure on education.

Keywords: Education, Expenditure, Household

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I. INTRODUCTION

Education is vital for financial boom in a rustic. Improving schooling requires investment. Public expenditure on education is an vital a part of funding in schooling. Consequently, public expenditure on training will have an effect on monetary growth in India. however, it is also viable that when the economy grows, perhaps the authorities will boom public spending on schooling because the government wants to enhance schooling. Consequently, the relationship among public expenditure on schooling. even though funding in schooling is broadly speaking funded with the aid of the authorities, maximum families make non-public contributions to their kid's education. Some of the researches have argued that education expenditure relies upon on the level of family income. From this perspective, only families with better earnings groups can find the money for personal schooling.

Household fees include direct or visible charges and indirect or less seen fees. Oblique expenses talk over with opportunity charges additionally referred to as misplaced earnings. Direct prices consist of bills to colleges together with tuition fees, exam prices, improvement prices, registration expenses and numerous other styles of fees and prices and different fees that are not always paid to the faculty. This consists of expenditure on textbooks and stationery, uniforms, shipping, hostel, personal college charges, and many others. These observe is confined to the direct fees incurred by households for the training in their children. The indirect or possibility fees of schooling are essential and in advance research has proven that they are also capable of importance (Tilak 1988). But this study is constrained to ignore this aspect.

While there is a great and moderately reliable database of public expenditure on schooling in India, statistics on household expenditure is extremely restrained. For a long term, the everyday collection of household expenditure information turned into no longer given critical interest as it changed into taken into consideration too trivial to trouble with and/or that such facts become not vital for public resource planning. In summary, there isn't always a whole lot studies at the extent of household expenditure on education and the determinants of household expenditure on schooling. but, we're more and more conscious that ignoring family funding is proving too highly-priced for education planning in the long run. Lack of particular expertise about these elements leads to wrong assumptions about the extent, nature and nice of household funding in training. for instance, it is most usually assumed that basic schooling is supplied free of charge; families do no longer spend much on simple education; on the part of families, there is a willingness to pay for education. this applies to all segments of the population – wealthy and bad alike, and the willingness to pay remains largely untapped. Such wrong assumptions also make a contribution to the method of useless and wrong rules concerning expenses, scholarships and presents, it seems, in India. research on family funding in education are consequently of first-rate importance.

This study deals in most cases with the question of why households spend money on education household investment in education is motivated by means of various of factors. family choices approximately investment in education can be at the least partly understood in phrases of monetary factors. households in particular put money into schooling due to the fact they anticipate monetary and non-financial blessings of schooling. The net economic

advantages of education are usually measured the usage of the inner fee of go back to education. No matter numerous boundaries of the rate of return analysis approach, such estimates are determined to be beneficial in instructional planning, including funding decisions via families and public spheres. In India, estimates of the price of return to schooling are available and observed to be typically high both for the person and for society as a whole (Tilak 1987). In a life-cycle version of family choice-making on the micro economic stage, if the fee of return to education is high, families may also select to chorus from cutting-edge consumption and put money into education to boom future incomes capability and other blessings. however even when predicted non-public fees of go back—economic and/or non financial—are high, families might not spend on training limited with the aid of economic, social, and cultural elements.

If household earnings are low, the actual Demand for education can be low and there can also be extreme underinvestment in training. Households may additionally or may not be willing to borrow cash for training because education is 'volatile'; and furthermore, in many growing international locations which includes India, the training credit market has but to broaden. as a consequence, it is commonly assumed that the amount of household investment in schooling is associated with the level of profits. In popular, high-profits households are found to spend extra on training than low-profits households. Households may additionally sense forced to put money into education if public efforts, contemplated in the first-class of physical and human infrastructure to be had in colleges, are perceived as inadequate. Underneath such instances, even bad households are pressured to spend on education. So the more severe the satisfactory of infrastructure and different centers in public colleges, *ceteris paribus*, the higher and the extent of family expenditure on schooling might be. Alternatively, it's also argued that if the government spends well on training and offers best education, household's sense enthusiastic and might willingly make contributions to schooling, complementing public efforts. In brief, household and government investments in training are related, they both replace or complement every different. a set of faculty-associated factors seems to be critical in determining the quantity of household investment in schooling. In truth, numerous different household characteristics consisting of faith, caste, household length, instructional degree of parents, occupational degree of parents etc. can impact it which can be termed as social, cultural, academic, occupational and other elements. the nature and amount of funding that families invest in their children's education.

II. THEORETICAL FRAME WORK

Schooling in fashionable is taken into consideration an funding from an monetary point of view. Individuals and governments allocate resources on behalf of societies in trade for fast and lengthy-term economic and non-economic advantages. Economists have as compared investments in training with investments in bodily tasks and therefore used similar techniques and tools to become aware of and measure the returns on these investments (Hansen 1963, Becker 1964, Marenbach 1973, Psacharopoulos 1973 1981 1985 1994, Carnoy and Marenbach 1975, Williams and Gordon 1981).

In this funding method, direct and oblique charges are sacrificed by using individual students and governments. Direct prices are the sum of expenses allocated to education,

whilst indirect fees are lost manufacturing all through the years of education. Schooling is expected to enhance the level of talents and know-how, which might be taken into consideration essential factors for growing the extent of productiveness. This in flip ends in better lifetime income for the individual and an boom in typical national productivity and economic boom. These are defined as financial or tangible blessings of training that may be recognized and measured in economic phrases. However, there are many non-financial or intangible non-public and public blessings which are difficult to perceive and degree and which can account for a big share of blessings in training. The maximum famous examples of those blessings are the consumption values of training and the externalities and co-benefits that accrue to people and societies in each the fast and longer term. The economic analysis of financing investments in training is often primarily based at the idea of human capital, viz.

Glewwe and Jacoby (2004) examine the connection among family resources and the demand for education in Vietnam using household survey records for the duration 1993-1998. the usage of consumption expenditure as a proxy to measure family income, a fine dating is determined between household earnings and the demand for education.

Bayar and yanikilhan (2009) studies display that better levels of family income result in higher expenditure on Education. We also locate that families with higher human capital spend extra on their children's education. However, the earnings elasticity of training expenditure is higher for poorer families than for richer ones, implying that the bad are greater touchy to modifications in profits with appreciates to training expenditure. Maximum of the research in the literature have discovered that one of the important essential factors that influence the expenditure on education is the extent of family income. Some of them display that higher income degrees lead to better instructional attainment (Blinder, 1998; Donkoh and Amikuzuno, 2011; Vu, 2012; Psacharopoulos et al., 1997; Qian and Smyth, 2010; Chung and Choe, 2001). The demand for education varies in distinctive international locations, the effect of household income on education expenditure is not the equal. even as some find that income elasticity is bad for wealthier households and advantageous for center income groups, others locate the opposite effect (Hashimoto and fitness, 1995; Tansel and Bircan, 2006; Tilak, 2000; Fernandez and Rogerson, 2003; Psacharopoulos and Papakonstantinou, 2005).

The regional dispersion of the u . s . is likewise taken as an vital part for all of the exceptional countries. The agricultural-urban difference performs a prime role in schooling expenditure, wherein training expenditure is better in urban regions (Psacharopoulos et al, 1997; Kanellopolos and Psacharopoulos, 1997; Donkoh and Amikuzuno, 2011).

Further, there are various studies that suggest that family traits are a vital aspect of family expenditure on training. a number of these traits are parents' degree of training and career, range of youngsters in the family, kid's faculty age and gender (Knight and Shi, 1996; Qian and Smyth, 2010; Tilak, 2002; Psacharopoulos, 1997; Psacharopoulos and Robert, 2000).

Further, Gürlür et al, (2007) awareness at the determinants of demand for schooling in Turkey and reveal that decrease range of youngsters in the circle of relatives and the extent of training of mother and father definitely impact the demand for schooling. The extra educated

mother and father and the higher income households, the greater the demand for children's education.

III. THE ORETICAL MODELS AND ECONOMETRIC SPECIFICATION

The econometric specifications utilized in number one research are regularly based on sure underlying theoretical fashions. The growth courting of government spending on schooling is likely to be motivated by way of the underlying theoretical fashions that underlie the specifications of the econometric models. We take a look at whether underlying theoretical models influence the association of increase in government spending on schooling. We assessment studies that base their specs on endogenous growth fashions, whilst except studies that undertake a Solow-kind growth version as a basis. The results show that research that undertake specifications based at the endogenous boom model record more poor consequences of training spending on growth as compared to studies that don't. This additionally applies to the relationship between education spending and boom. the primary size of the econometric specification that we seize is the length of the time period over which the variables are averaged. The time over which the variables are averaged within the primary studies can probably impact the mentioned estimates. a number of arguments are usually made in prefer of averaging statistics. for example, averaging over a period identical to the business cycle eliminates enterprise cycle outcomes, in particular if the number one research do not include measures of the commercial enterprise cycle of their models (e.g., a few studies additionally use averaging durations longer or shorter than five years. We manage for the time horizon to affirm that the effect of human capital expenses on growth is greater when the statistics length is averaged over a duration equal to or longer than 5 years. consequently, we consist of a dummy for research where the information are averaged over a duration of 5 years or longer and exclude different research as a baseline. we discover that research that use records averaging over periods same to or longer than five years tend to show less adverse consequences of training spending on financial increase.

IV. EXPANDING THE FRAMEWORK OF THE PRODUCTION FUNCTION OF EDUCATION

The schooling production function is the technical dating between inputs and outputs; as such, it isn't a behavioral equation, and empirical studies inclusive of the ones mentioned for expenditure do now not model the way inputs are decided. those inputs consist of trainer and faculty characteristics, which depend upon instructional regulations which are carried out at different stages of aggregation (from principals to ministers), and circle of relatives inputs, which depend on family conduct. Now, the responses of college leaders and households to pupil characteristics or policy interventions may also have an impact on the determined courting between education spending and results, in place of the underlying technical dating. school governing our bodies may additionally determine to allocate greater entries to students whose social historical past is less beneficial; mother and father may additionally reduce their personal contribution to their children's education as public spending rises. In some cases, the observed and technical courting among public spending and consequences will fluctuate. there's therefore a motive for supplementing the analysis of the manufacturing functions of training with specific modeling of the behavior of parents, teachers and college principals.

This section covers such extensions of the same old conceptual framework. It starts off evolved by considering household responses to education coverage earlier than reviewing the evidence for "demand-facet financing" that explicitly is predicated on such responses to enhance faculty overall performance; then shows that inferences about the policies governing the allocation of schooling costs can in truth be drawn from the frequent insignificance of the coefficients of the education manufacturing feature.

The production characteristic for cognitive performance is on the heart of the economics of training as the principle device that has been used to assess the connection between school expenditure and success. Dissatisfaction with the technique and results of macro and micro research brought about the improvement of an alternative technique: Experimental evaluation of coverage interventions. although, "experimentalists" are as concerned with efficiency in generating cognitive achievements as "structuralists", and one of their arguments in favor of randomized trials is that they might permit the restoration of structural parameters (e.g. KREMER, 2003). Even a shift from assets to incentives as the primary policy tool to enhance cognitive outcomes does now not constitute a fundamental trade in their presentation of the school gadget by economists. research of teacher incentives, decentralization, and privatization are regularly based on comparisons between production function estimates, e.g., for centralized versus decentralized faculties or public as opposed to private colleges. the shortage of consensus mentioned in section I applies to the outcomes of existing research and viable methodological enhancements, however the research papers discussed in the expenditure version normally receive the analogy between schooling and manufacturing, albeit implicitly and/or reluctantly.

V. METHODOLOGY

- 1. objective of the study:** To estimate the education expenditure by the households and its masterpiece in erode district
- 2. Methods of data collection:** The researcher has carried out a survey during 2021-22 using well-structured interview schedule and has adopted proportionate random sampling to collect information from 308 respondents on the basis of households of school going children. This study was mainly based on the primary data. Secondary data were used only for the selection of district and blocks in Tamilnadu. The choice of district based on the criterion of education, specifically with reference to expenditure variation based on income level, different types of institutions and variation in education practices. On considering this facts, Erode district has various category of people based on income, religion, interest in education and also has various type of institutions, hence Erode district was chosen. Erode district was divided into five taluks and these five taluks were further divided into fourteen blocks. Among this, only four blocks gobichetti palayam , Nambiyur, Modakkurichi and Bhavani were selected randomly and it has seventy nine village panchayats, out of which only four village panchayats were selected randomly, named as Polavakkalipalayam, Sundakkampalayam, Kaspattai and Thottipalayam. In the next stage, 77 samples household were selected from each village panchayat. as a result, only 308 sample households were selected randomly on the basis of households having school going children. The target population was household who have at least one

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school-going child and have located in rural area was interviewed with a well-structured schedule prepared for that purpose. This study takes up the information regarding the education expenditure based on the economic status such as income, occupation, number of dependent in the family and the social status during 2021-22. The majority striking feature in the education outlay in India are tuition fees, exam fees, book fees, stationery fees, transport fees, Private coaching and these components plays as an very significant role in the total education expenditure of house hold. There is a need to reduce expenditure of education. A study on the present expenditure structure of the household would help the government policy makers to identify the major expenditure components and to discover the solutions for reducing it. Keeping this in view, the present –study has been undertaking in erode district.

- 3. Method of data analysis:** The collected data were consolidated in the form of master schedule and then checked and gross checked. Omissions and errors if any are identified and rectified. Systematic classification of the study in view Conventional average method and standard deviation were employed for the analysis of expenditure of data.

VI. ANALYSIS AND DISCUSSION

1. Household expenditure behavior on education in erode district

- 2. Medium of learning and expenditure pattern of education:** The structure and level of expenditure on education varies among the medium of learning or medium of instruction. It is the language used for the instruction in the course for which a student is enrolled. This is expected on the basis of their difference in the initiative taken to optimize the education expenditure. An analysis in this regard has been made and the result of which is presented in table 1.

Table 1: House Hold Expenditure on Education Comparing to the Medium of Instruction

Components of education expenditure	Tamil medium	English medium
Tuition fees	1374.55 (3050.00)	8794.96 (4830.39)
Exam fees	541.36 (537.27)	4605.04 (2323.67)
Book fees	135.45 (367.38)	4985.61 (2844.99)
Stationery fees	1119.09 (721.94)	6383.45 (5362.34)
Uniform fees	610.00 (793.19)	3700.00 (2160.00)
Transport fees	445.50 (209.25)	4546.76 (4243.00)
Private coaching	1315.45 (1376.48)	5062.59 (4137.27)
Extracurricular expenditure	434.55 (399.18)	3948.20 (3074.64)
Co-curricular expenditure	790.9 (932.05)	3361.87 (1357.72)
Other expenditure	789.9 (932.05)	3948.20\ (3074.64)
Total	7115.36 (6002.93)	49223.02 (26677.61)

Source of primary data: From the table 1, it is observed that average education expenditure of English medium students was Rs 49,223.02 which was nearly seven times than that of

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Tamil medium students. Tamil medium students mostly spend their money on tuition fees which is relatively very high as compared to other Components of education expenditure of them and it was nearly 20% of the total expenditure. English medium students are spending more money on tuition fees, stationery fees, private coaching and transport fees. The average expenditure on those components was Rs 24,787.76 and it was nearly six times than that of the average expenditure for tuition fees, stationery fees, private coaching and transport fees cost of Tamil medium students. If the expenditures of extracurricular and co-curricular activity fees of all students are compared, the Tamil medium students spend more for co-curricular activities, that is, nearly twice that of the expenditure of extracurricular activity fees, Whereas English medium students are spending little more money for extracurricular activities as compared to co-curricular activities.

- 3. Household number of dependent and expenditure pattern of education:** The structure and level of education expenditure to a great extent depends upon the number of dependents in household. More number of household dependents in the family reduces the capacity to spend on education. The capacity to spend more for education is comparatively high for the families having less number of household dependents. The results of the analysis presented in table 2 are conformity with our expectation.

Table 2: House Hold Expenditure on Education Comparing to the Number of Dependents in House Hold

Components of education expenditure	1	2	3	4
Tuition fees	9690.91 (1864.61)	5070.83 (5906.73)	394.03 (626.89)	.00 (.000)
Exam fees	4918.18 (2430.1)	2796.18 (2592.76)	362.69 (404.83)	104.76 (102.35)
Book fees	6354.55 (1978.29)	2454.17 (2996.70)	74.63 (264.77)	.00 (.000)
Stationery fees	6681.82 (3484.57)	4097.92 (5430.07)	705.97 (823.31)	261.90 (255.88)
Uniform fees	4672.73 (1364.96)	2602.78 (383.58)	420.90 (383.57)	261.90 (255.88)
Transport fees	5372.73 (5026.98)	2336.81 (3364.68)	74.63 (264.72)	.00 (.000)
Private coaching	5727.27 (3535.29)	3214.58 (3831.03)	1052.24 (1658.61)	.00 (.000)
Extracurricular expenditure	4081.82 (678.80)	2327.78 (2032.68)	298.51 (402.45)	52.38 (51.17)
Co-curricular expenditure	3472.73 (1218.75)	2151.86 (1834.47)	791.04 (900.96)	.00 (.000)
Other expenditure	4305.45 (2480.69)	2402.78 (3040.67)	698.51 (813.61)	261.90 (255.88)
Total	52278.18 (18386.25)	29458.68 (30091.28)	4873.13 (5717.74)	942.85 (921.17)

Source of primary data: From the table 2, a huge difference is noted between the average educational expenditure incurred by the students from the family having single dependent and more than three or four dependents. The parents having single child spends average education expenditure of Rs 52,278, it is nearly twice that of average education expenditure of Parents having two children. Whereas parent having three children spends less average amount of Rs.4873.13 on education and it is just 9% of average education expenditure of Parents having single child. Parent having four children spends much lesser average amount of Rs.942.85 on education purposes and it is just 2% of average education expenditure of Parents having single child.

4. Type of occupation and expenditure pattern of education: The occupation of the parent or family plays as an important determining factor in the household income. Higher family income will raise the capacity to spend for education activities. Professional, business and salary based income earning households spending more education expenditure for their children as compared to agriculture occupation based income-earning households. The results of the analysis in this regard are presented on table 3 and those results are conformity with our expectation.

Table 3: House Hold Expenditure on Education Comparing to the Type of Occupation for Parents

Components of education expenditure	Agriculture labour	Agriculture self employee	Salaried	Business	Professional
Tuition fees	770.49 (1389.16)	.00 (.000)	5243.68 (4342.80)	3264.52 (3689.60)	12425.53 (5037.87)
Exam fees	595.08 (986.66)	43.14 (83.07)	2264.94 (1815.07)	2233.87 (2174.21)	6827.66 (1421.22)
Book fees	614.75 (1026.29)	47.06 (8568.0)	2844.83 (2759.03)	1927.42 (3440.17)	6404.26 (2392.55)
Stationery fees	398.36 (611.68)	225.49 (251.27)	2802.30 (1510.58)	4193.55 (4467.87)	10017.02 (6402.15)
Uniform fees	1806.56 (4088.59)	107.84 (207.69)	2055.17 (1367.28)	2548.39 (2475.63)	4531.91 (2526.82)
Transport fees	983.61 (2004.09)	.00 (.000)	1833.33 (3007.42)	2758.06 (4967.71)	5244.68 (3962.97)
Private coaching	1049.18 (1953.00)	23.53 (42.84)	1672.41 (868.79)	4072.58 (3523.74)	8195.74 (4103.12)
Extracurricular expenditure	731.15 (1383.90)	45.10 (50.25)	2367.82 (1614.72)	1764.52 (1877.83)	4648.94 (994.08)
Co-curricular expenditure	770.49 (1574.73)	.00 (.000)	1974.71 (1580.71)	2612.90 (1374.29)	3691.49 (1240.41)
Other expenditure	800.00 (1577.65)	107.84 (207.69)	1408.05 (1375.74)	2943.55 (2908.58)	5868.09 (2898.35)
Total	8519.67 (13779.42)	693.000 (600.00)	24467.24 (16516.52)	28319.35 (7348.46)	67955.32 (25357.94)

Source of primary data: From the table 3, it is obviously clear that based on the occupation the capacity to spend for education varies. The above analysis states that the average education expenditure of Professional job oriented parents was Rs.67955.32 which was

nearly eight times than that of the average education expenditure of agriculture oriented parents. Also, the agricultural self employed parents spend only 8% of the average education expenditure of agriculture labour parents. If the average education expenditure of salary income based parents and business parents are compared, the business parents spend Rs. 3852.11 more than the salary income based parents on average. Business parents mostly spend money for stationery fees which is relatively very high as compared with other Components of education expenditure of them and it was nearly 15% of the total expenditure. Whereas salary income based parents spend more money for tuition fees and it was approximately 21% of the total expenditure. Due to not having enough time to help their children's to learn, the salary based parents mostly prefer tuition to guide on studies of their children.

- 5. Type of institution and expenditure pattern of education:** Type of institutions is an important determinant factor of the average education expenditure with respect to various courses opted by the students in both general and technical education. It is expected that the student studies in private and CBSE institution spends more money for learning as compared to government and local government institutions. In this section, such information is furnished and analysis in this regard has been made and the result of the analysis is presented in table 4.

Table 4: Item Wise Average Cost Per Reporting Student According to Type of Institution

Components of education expenditure	Government institution Education	Local government institution	Autonomous institution	Private institution	CBSE Institution
Tuition fees	24.39 (66.25)	100.00 .000	1702.38 (248.39)	6301.37 (3265.71)	12161.29 (4285.67)
Exam fees	85.37 (82.34)	308.06 (177.06)	1203.38 (248.39)	3458.90 (1593.72)	6187.10 (2061.31)
Book fees	180.49 (321.88)	.00 (.000)	.00 .000	3068.40 (855.19)	7685.48 (1723.11)
Stationery fees	312.20 (217.02)	1267.74 (249.52)	2000.00 (.000)	3280.82 (1771.66)	10238.71 (5853.27)
Uniform fees	260.98 (225.69)	500.00 (.000)	1511.9 (448.41)	3154.79 (3313.35)	5572.58 (1852.88)
Transport fees	121.95 (331.29)	.00 .000	.00 .000	1527.40 (2589.89)	7217.74 (4395.06)
Private coaching	29.27 (46.06)	1322.58 (758.82)	2535.71 (1201.59)	2737.88 (1594.44)	8067.74 (4355.05)
Extracurricular expenditure	.00 .000	319.35 (202.35)	1214.29 (415.30)	3472.60 (1894.60)	4217.74 (467.12)
Co-curricular expenditure	119.51 (202.35)	677.42 (758.81)	2214.29 (415.30)	2846.58 (1706.28)	3750.00 (1081.73)
Other expenditure	166.85 (209.29)	1000.00 (.000)	1476.1 (441.06)	2116.44 (2014.73)	6141.94 (2842.85)
Total	519.61 (1.80)	5495.16 (274.57)	13857.14 (472.22)	32960.27 (11641.27)	71240.32 (22808.64)

Source of primary data: From the table 4, a huge difference is noted in average educational expenditure incurred by the students attending Government institution and the private

institution. The students studying in the CBSE schools spends average education expenditure of Rs.71240.32 and the government school students are spending Rs. 519.61only and it was just 0.7% of average education expenditure of CBSE school students.

The students studying in the private institution spends average education expenditure of Rs. 32960.27 which was nearly 2.3 times than that of average education expenditure of autonomous school students. Also, there are lots of differences between educational expenditure of government school and local government school. The local government school students spend nearly ten times than that of government school students. If the expenditures of extracurricular and co-curricular activity fees of all students are compared, the government school, local government school, autonomous school students spends more for co-curricular activities as compared to extracurricular activity. Whereas, private school and CBSE schools students, spend more for extra-curricular activities as compared to co-curricular activities. This happens may be due to not having enough facility in government schools to enhance co-curricular activities, so they pay for other private academies to gain those co-curricular knowledge.

6. Family income and expenditure pattern of education: The arrangement and level of education expenditure to a great extent depends upon the level of family income. Increase in the level of family income will increase the capacity of the household to invest. Hence the household with high level of income are expected to incur higher expenditure in education than the household with low level of income. The results of the analysis in this regard are presented in table 5.

Table 5: Average Cost of Education (In Rs) According to the Different Income Group Families

Components of education expenditure	Lower income group	Middle income group	Higher income group
Tuition fees	2983.70 (4128.77)	12545.4 (4969.22)	14000.00 (5656.85)
Exam fees	1737.22 (2248.17)	5927.27 (2302.75)	7000.00 (1414.21)
Book fees	1536.67 (2338.99)	7742.42 (2449.87)	7500.00 (2645.75)
Stationery fees	1939.26 (2027.16)	12812.12 (6307.17)	12800.00 (7014.27)
Uniform fees	1546.30 (2278.87)	6636.36 (1337.41)	5800.00 (2683.03)
Transport fees	1177.78 (2453.2)	8515.15 (4316.54)	7600.00 (4775.3)
Private coaching	1789.63 (2148.20)	9551.52 (4446.91)	10000.00 (4242.64)
Extracurricular expenditure	1547.41 (1890.72)	4242.42 (751.26)	4600.00 (894.42)
Co-curricular expenditure	1471.48 (1639.17)	4151.51 (914.16)	4000.00 (1225.74)
Other expenditure	1307.77 (3221.50)	7454.55 (3221.50)	7200.00 (3114.48)
Total	17037.22 (19006.32)	79578.78 (27642.89)	80500.00 (28160.25)

Source of primary data: From the table 5, it is obviously clear that, based on the income the capacity to spend for education varies. The above analysis states that the average education expenditure of higher income earning people was Rs. 80,500, which was nearly five times than that of the average education expenditure of lower income earning people. The average education expenditure of medium level income earning people was Rs. 79578.78, which was also nearly five times than that of the average education expenditure of lower income people. But all this three groups mostly spend money for tuition fees as compared with other Components of education expenditure. High income earning parents spend Rs. 14000 on tuition fees and it was nearly 17% of the total education expenditure. Whereas medium level of income earning parents spend Rs. 12545.4 on tuition fees and it was approximately 15% of the total expenditure and the low level income earning parents spend Rs. 2983.70 on tuition fees and it was nearly 17.5% of the total expenditure.

7. Religion of the household and expenditure pattern of education: Religion plays an essential role in human life as well as in human activities. Each religion is also cited with a specific occupation and claiming common descent forms a mythological ancestor. Therefore, religion involves specialization of work that results in minimum expenditure and maximization of advantage. In this regard the household belonging to a religion associated with spending habits are expected to incur lesser expenditure of education by the religion of the household.

Table 6: Average Cost of Education (In Rs) According to the Religion on Households

Components of education expenditure	Hindu	Christian	Muslim
Tuition fees	4108.47 (5813.24)	7075.8 (4628.87)	1305.26 (726.15)
Exam fees	2074.6 (2693.3)	3855.65 (3029.75)	1201.75 (524.9)
Book fees	2742.86 (3618.86)	2653.23 (1836.76)	438.6 (959.31)
Stationery fees	3691.01 (520.19)	3512.9 (1653.75)	1666.7 (426.08)
Uniform fees	2376.72 (3369.89)	2327.42 (1403.41)	1263.2 (583.3)
Transport fees	3211.64 (4204.25)	.00 (.000)	526.32 (1151.2)
Private coaching	2764.02 (4253.68)	3572.58 (2432.44)	1833.3 (1536.27)
Extracurricular expenditure	1925.40 (2243.31)	2862.9 (1507.28)	691.23 (387.43)
Co-curricular expenditure	1183.6 (2156.1)	1795.16 (1152.96)	1526.32 (740.54)
Other expenditure	2549.2 (3312.75)	1141.94 (1137.95)	1447.37 (447.17)
Total	27325.51 (34718.18)	28797.58 (16431.53)	11900 (3879.98)

Source of primary data: From the table 6, it is observed that the average education expenditure of Hindus and Christians was higher as compared to Muslims. The above analysis states that the average education expenditure of Hindu religion people was Rs.27325.51 and it was nearly twice as the average education expenditure of Muslims, whereas the average education expenditure of Christians was Rs 28797.58 and it was nearly twice the average education expenditure of Muslims. Hindus and Christians comparatively spend more for tuition fees whereas Muslims spend more for private coaching as compared to other Components of education expenditure. For Book fees, Stationery fees, Uniform fees and Transport fees, Hindus spend more money when compared with others. The average expenditure on these particular components was 12022.23 and it was nearly twice that of the total expenditure on education of Hindus. For Tuition fees, Exam fees, private coaching, and Extra-curricular and Co-curricular activities, Christians spend more money when compared with others. The average expenditure on these particular components was 19162.09 and it was nearly 1.5 times than that of the total expenditure on education of Christians.

VII. FINDING OF THE STUDY

1. The average education expenditure of English medium students was Rs.49223.02, which was nearly seven times than that of Tamil medium students.
2. Parent having four children spends much lesser average amount of Rs.942.85 on education purposes and it is just 2% of average education expenditure of Parents having single child.
3. The average education expenditure of Professional job oriented parents was Rs.67955.32, which was nearly eight times than that of the average education expenditure of agriculture oriented parents.
4. The students studying in the CBSE schools spends average education expenditure of Rs.71240.32 and the government school students are spending Rs. 519.61 only and it was just 0.7% of average education expenditure of CBSE school students.
5. The average education expenditure of higher income earning people was Rs.80500, which was nearly five times than that of the average education expenditure of lower income earning people.
6. The average education expenditure of Hindu religion people was Rs.27325.51 and it was nearly twice than that of the average education expenditure of Muslims, whereas the average education expenditure of Christians was Rs 28797.58 and it was nearly twice the average education expenditure of Muslims.

VIII. CONCLUSION

This paper provides evidence about household expenditure on education in erode district. First, it presented a descriptive analysis and then investigates the factors affecting expenditure on education. The average education expenditure of English medium students was nearly seven times than that of Tamil medium students. Parents choose to send their children to English medium private schools because they felt that English medium education paves the way for better job opportunities for the children. These private schools charge more fees and so the poor families cannot afford the fees. In addition, there are only very few private schools in rural areas. Due to this, poor students or students from rural areas are not

able to attend the English medium private schools. To find solution to this problem, Tamil Nadu State Government decided to offer English medium education as an option in government schools in 2013. By creating more awareness about this facility and also by enhancing the government English medium schools, the disparities in education expenditure among these different medium of instructions will be removed. There are various factors influencing the capacity to spend for education, among them the number of household dependents in the family plays an important role. More number of household dependents in the family reduces the capacity to spend on education. The capacity to spend more for education is comparatively high for the families having less number of household dependents. A huge difference is noted between the average educational expenditure incurred by the students from the family having single dependent and more than three or four dependents. The occupation of the parent or family was an important determination factor in the household income. Higher family income raises the capacity to spend for education activities. The Professional, business and salary based income earning households spending more education expenditure for their children as compared to agriculture occupation based income earning households. The salary based parents mostly prefer and spend more for tuition, to guide their children on studies, because of not having enough time to help their children to learn. Apart from occupation, the income level of the household plays a significant role in education expenditures. Increase in the level of family income will increase the capacity of the household to invest. Hence the household with high level of income are incurring higher education expenditure than the household with low level of income. Income plays an important role in the choice of educational institutions and as the level of income rises, the dependency on public educational institutions declines and there is a shift towards private educational institutions. A huge difference was noted on the average educational expenditure incurred by the students attending government institution and the private institution. The household incurred lesser expense when they prefer government institutions for their children education. This is because of the subsidies provided by government for stationary things, uniform dress, book fees and transport fees and also free of education cost for certain criterion. The average education expenditure of Hindus and Christians was higher as compared to Muslims. The main reason was the number of dependents in the Muslims family is comparatively high and also they prefer and give importance for family business and other employments. So they are not ready to spend more for education.

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