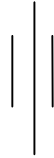


**INCOME AND EXPENDITURE PATTERN OF
PRIVATE SCHOOLS' TEACHERS IN
KATHMANDU METROPOLITAN CITY**



A Thesis

Submitted to the Faculty of Humanities and Social Sciences

Central Department of Economics,

Tribhuvan University

Kirtipur, Kathmandu

For Partial Fulfillment of the Requirements for the

MASTER OF ARTS

in

ECONOMICS

Submitted by

ANJU SUWAL

Campus Roll No: 16/068

T.U. Reg: 6-2-20-544-2007

Central Department of Economics

Tribhuvan University

Kirtipur, Kathmandu

2016

APPROVAL LETTER

We certify that the thesis entitled '**Income and Expenditure of Private Schools' Teachers in Kathmandu Metropolitan City**' has been prepared by **Ms. Anju Suwal** submitted to Central Department of Economics, Tribhuvan University, in partial fulfillment of the requirements for the Master Degree of Arts in Economics has been found satisfactory in scope and quality. Therefore, we accept this thesis as a part of the side degree.

Evaluation Committee

Head of Department

.....
Prof. Dr. Ram Prasad Gyanwaly
Central Department of Economics
Kirtipur, Kathmandu

External Examiner

.....
.....
Central Department of Economics
Tribhuvan University, Kirtipur

Supervisor

.....
Uma Shankar Prasad
Associate professor
Thesis Supervisor

Date: April 2016

LETTER OF RECOMMENDATION

This thesis entitled '**Income and Expenditure Pattern of Private Schools' Teachers in Kathmandu Metropolitan City**' has been prepared by Ms. AnjuSuwal under my guidance and supervision as a partial fulfillment of the requirements for the Degree of **MASTER of ARTS in ECONOMICS**. I forwarded evaluation and also for the acceptance.

.....
Uma Shankar Prasad
Thesis Supervisor
Central Department of Economics
Tribhuvan University
Kirtipur, Kathmandu
Date: 2072/12/19 (1st April, 2016)

ACKNOWLEDGEMENTS

Firstly, I would like to express my sincere gratitude to my thesis supervisor Uma Shankar Prasad, Associate Professor, Central Department of Economics, Tribhuvan University, who made it possible to complete this thesis by providing his valuable suggestions and guidance throughout the study. This research work would not have been possible without his proper guidance, helpful suggestions and comments. I am very much indebted for his efforts and advices and would like to express my sincere thanks and appreciation to him. I also would like to extend my gratitude and thanks to Pro. Dr. Ram Prasad Gyanwaly, Head of Department and to all my respected teachers of the Central Department of Economics, Tribhuvan University for providing me the information, suggestions and comments.

Similarly, my thanks go to my colleagues at Kanjirowa National School who helped me a lot to collect the data from different parts of Kathmandu. I equally owe to all the teachers who take part in this research study.

Lastly, I like to thanks all my family members who gave me continuous support for the completion of this study and all the people who help me directly or indirectly in the thesis writing.

Anju Suwal

April, 2016

ABSTRACT

Income is the flow of cash received from works (wage or salary), capital interest or profit and rent from the land. Income is the consumption and savings opportunity gained by an entity within a specified timeframe, which is generally expressed in monetary terms. Mainly private schools' teachers have two sources of income and they are salary and tuition. Consumption is major concept in economics and it is also studied by other social science. According to mainstream economists only final purchase of goods services by individual constitute consumption. Consumption in urban area is sum of total expenditure on different food and non- food items.

The study has made analysis about income and consumption of private school teachers. The study is based on 19 different private secondary schools from North and East sectors of Kathmandu. Out of total 50% of private school teachers hold Master degree. Percentage of tuition taking teachers is 56.66% and rest 43.34% are salary holder only. The average income of private school teachers is Rs.21,136.67. Contribution of salary and tuition in total income of private school teachers is 68.58% and 31.42% respectively. The maximum and minimum salary earned by private school teachers is Rs.4,000 and Rs.37,000 respectively. Contribution of salary in total income of private school teachers household is highest among all, and that is 66.84%. Gini coefficient of income of private school teachers is 40.18% i.e 0.4018. The lowest 10% of households covers 3.72% and highest 10% earns 19.87% of total households income. The study finds out that there is less involvement of female teachers in higher post than male in private schools.

The average household consumption of private school teachers is Rs.33,441.67. Families of private school teachers' spend 31.54% of total consumption on food and 68.46% on non food items. Moreover, 15.81 % of total expenditure is covered by education and this is highest among the all. Expenses on rent, food grains and festival are the second preference of private school teachers families and seem about to be equal. The study shows truly reflect the consumption behavior of people with academic background since private school teachers' family invest 11.7 times more on education than in Cigarettes & Alcoholic Beverage.

TABLE OF CONTENTS

	PAGE
LETTER OF RECOMENDATATION	i
APPROVAL LETTER	ii
ACKNOWLEDGEMENTS	iii
ABSTRACT	iv
TABLE OF CONTENTS	v-vi
LIST OF TABLES	vii-viii
LIST OF FIGURES	ix
LIST OF ABBREBIATION	x
CHAPTER – I: INTRODUCTION	1-5
1.1 Background of Study	1
1.2 Statement of Problem	3
1.3 Objectives of the Study	3
1.4 Significance of the Study	4
1.5 Limitations of Study	4
1.6 Organization of the Study	4
CHAPTER – II: REVIEW OF LITERATURE	6-19
2.1 Nepalese Context	6-12
2.2 Context of SAARC Countries	13-19
2.3 Research Gap	19
CHAPTER – III: RESEARCH METHODOLOGY	20-22
3.1 Research Design	20
3.2 Sample Area	20
3.3 Sample Size	20
3.4 Sampling Procedure	21
3.5 Tools of Data Analysis	21-22

CHAPTER – IV: PRESENTATION AND ANALYSIS OF DATA	23-64
4.1 Demographic Features of Study	23-31
4.2 Major Sources of Income of PST	31-44
4.3 Role of Educational Status on Income of Private School Teachers	44- 47
4.4 Role of working level on Salary of Private School Teachers	47-50
4.5 Consumption Pattern of Private Schools' Teachers' Family	50-64
CHAPTER – V: MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	65-67
5.1 Major Findings	65-66
5.2 Conclusions	66
5.3 Recommendations	67
REFERENCES	68-69
APPENDIX	70-72

LIST OF TABLES

Table	Title	Page
4.1	Age Structure and Gender Distribution of PST	23
4.2	Age Structure of PST Family Members	24
4.3	Dependency Ratio in PST Family	25
4.4	PST Involvement by Ethnicity and Sex Ratio	26
4.5	Household Size of PST Family	27
4.6	Qualification of PST	28
4.7	Percentage Distribution of PST Family Members by Academic Qualification	30
4.8	Percentage Distribution of TTT and SHT in Different Level	32
4.9	Percentage Distribution of PST in Different Post as TTT and SHT	32
4.10	Income Composition of PST	34
4.11	Distribution of PST by Income Groups	37
4.12	Comparative Study of Income by Source	37
4.13	Extreme Income Values	38
4.14	Income Sources of PST Family Members	39
4.15	Distribution of PST Family by Income Groups	40
4.16	Income Deciles Group of PST	41
4.17	Cumulative Percentage of Income and Number PST	43
4.18	Income Deciles Group of PST Family	44
4.19	Qualification of PST	45
4.20	Gender wise Analysis of Relation between	

	Qualification and Income	46
4.21	Level of Salary and Academic Qualification	47
4.22	Gender Distribution of PST in Different Level	48
4.23	Amount of Salary and Working Post	49
4.24	Composition of Family Expenditure (per Month)	51
4.25	Percentage Distribution of Expenditure on Food Items	52
4.26	Monthly Expenditure on Non- Food Items	53
4.27	Percentage Distribution of Total Consumption on Food and Non -food Items	55
4.28	Percentage Distribution of Expenditure on Food Items by HH Size	56
4.29	Percentage Distribution of Expenditure on Non-food Items by HH Size	57
4.30	Average Per capita and HH Consumption of PST Family per Month	59
4.31	Per capita Expenditure on Vegetable, and Cigarette & Alcoholic Items	61
4.32	Consumption Expenditure on Education by PST Family	63
4.33	Per capita Consumption by Deciles	64

LIST OF FIGURES

Figure	Title	Page
4.1	Distribution of PST by Ethnicity	27
4.2	Distribution of PST by Qualification	29
4.3	Educational Status of PST Family	31
4.4	Percentage of SHT and TTT in Different Level	33
4.5	Percentage Contribution of Salary and Tuition in Total Income	35
4.6	Average Monthly Income by Post (in NRs)	36
4.7	Lorenz Curve of Income of PST	42
4.8	Pie Chart of HH Expenditure on Food Item	52
4.9	Consumption on Non- food Items	54

LIST OF ABBREVIATIONS

APC	-	Average propensity to consume
CBS	-	Central Bureau of Statistics
Cum.	-	Cumulative
DCS	-	Department of Census and Statistics
Edu	-	Education
Exp	-	Expenditure
G.C	-	Gini Coefficient
GDP	-	Gross Domestic Product
GNP	-	Gross National Product
HHs	-	Households
HIES	-	Household Income and Expenditure Survey
L. sec	-	Lower Secondary
M/F	-	Male/Female
Max	-	Maximum
Med	-	Medicine
Min	-	Minimum
MoE	-	Ministry of Education
MoF	-	Ministry of Finance
MPC	-	Marginal propensity to consume
No.	-	Number
Non-Veg	-	Non Vegetarian
NPHC	-	National Population Household Census
NRB	-	Nepal Rastra Bank
NRs	-	Nepalese Rupees
PST	-	Private Schools Teachers
Sec.	-	Secondary
SHT	-	Salary Holder Teachers
TTT	-	Tuition taking Teachers
Veg	-	Vegetarian
VDC	-	Village Development Committee