

# CHAPTER – I

## INTRODUCTION

### 1.1 Background of the Study

Education is one of the fundamental factors of development of a country. Education is very important component of economic development and a broad spectrum of anti - poverty programs in Nepal. Its expansion may lead to inclusive growth. Literacy is an important indicator of education and welfare, because its improvement is likely to have an impact, in the long run. Country cannot achieve sustainable development without substantial investment in human capital.

In the field of education Kathmandu gets the pride of having the oldest school of Nepal, Durbar High School and the Tri-Chandra College. Durbar High School which translates to Palace High School, opened in 1892 is the oldest modern school in Nepal. It is located in Ranipokhari, Kathmandu, and originally taught only members of the ruling family, but was opened to private citizens in 1902. Therefore, the history itself shows that Kathmandu and education of Nepal are close with each other. The growth of educational sector in the country is one of the benefits of liberal economic policy adopted by the government since 1990s which has generated employment opportunities in addition to others

Education in Nepal is mainly divided into school education and higher education. School education further divided into pre-primary level which includes of grades less than one, primary level of grades 1-5, lower secondary of grades 6-8, secondary levels 9-10 and higher secondary is comprised of grades 11-12. A national level School Leaving Certificate (SLC) examination is conducted at the end of grade 10. The Higher Education consists of Bachelor's Degree of three to four years duration depending upon the nature of subjects and programmes and two to four years of Master's Degree. Some Universities also offer Post Graduate Diploma and Master of Philosophy (M. Phil.) courses of two years. Doctorate of Philosophy (Ph.D.) is regarded as the highest degree offered by the universities. (MoE, 2010).

According to Education (Seventh Amendment) Act 2058 (2001) of Nepal, private school or (institutional schools) are those schools who have obtained approval or permission for operation on condition that they will not get regular grants from Nepal

Government. Education (Eighth Amendment) Ordinance (2060) Nepal had made the provision that, the private schools is to be operated either as a company or an educational trust. Legally, there two types of school in the country community and institutional. Community schools receive regular government grant whereas, institutional schools are funded by school's own or other non-governmental sources. Educational institutions located in Kathmandu are very rich in physical infrastructure and quality education. These institutions proved themselves as one of the major sectors to create job opportunities. Private schools generate the employment opportunities for thousands of peoples in Kathmandu. Thus, by offering various employment opportunities and generating income for the people, the economic contribution of private schools is considerable in the present context. Similarly, the investment made by these private institutions on the field of education has greater contribution in the development of the country. In our society most of private school teachers (PST) are from middle class family. Therefore, the study of income and consumption behavior of PST indirectly reflects the behavior of middle class families involved in academic field.

Like other developing countries, Nepal has also dualistic economy and unequal distribution of income. Inequality in income and consumption is not visible in society among different community, ecological belts, and regions but it is present within the occupation itself. Income disparity among the teachers exists in private schools too. Private schools are categorized as Grade A, B and C .There are certain rules to follow by these institutes to run. Salary paid to teachers by this different grade of schools is also different. Private schools are obliged to pay certain salary according to education policy. Additional amount of salary has to be paid by the schools according to its grade than government paid salary. But, we hardly find private schools following this rule. Moreover, there is lack of government monitoring regarding the salary paid to teachers. Therefore, PST working in different private schools in same level do not get same amount of salary. So, there is inequality in income too. Beside salary, tuition fee is major additional income sources of PST.

Kathmandu as the capital of Nepal has provided numerous facilities for its residence. People in Kathmandu do not spend their entire income only on food, education and clothing. Beside these, entertainment, social service, rent, transportation,

communication, health services, latest gadgets etc also occupied major portion of consumption. The study has tried to focus on the sources of income of different level of PST and their consumption pattern.

## **1.2 Statement of Problem**

Like other developing countries Nepal is also characterized by dualistic economy. On the one hand, there is rural area in which agriculture is the principal occupation. On the other hand, there are urban cities like Kathmandu metropolitan city in which most of the cultivable lands are used by housing company for residential purpose. The source of income in Kathmandu metropolitan is not only agriculture. Different sources of income in this area are: land lease, vehicle hire, salaries, remittance business etc.

This study tries to highlight the different sources of income and finds consumption pattern of private school teachers in Kathmandu metropolitan. Although there are numbers of research in the field of consumption and income, but it may be new one research which deals with the income and consumption expenditure of PST. Beside, the study on level of income and patterns of consumption of PST the study tries to evaluate the disparity of income exist in private sector.

However, The major research questions of the study are as given below.

- a) What are the major sources of income of PST?
- b) What is the role of working level on salary of PST?
- c) What is the consumption expenditure pattern of PST?

## **1.3 Objectives of the Study**

The general objective of this study is to identify the income and consumption pattern of private school teachers in Kathmandu. However the specific objectives can be summarized as follows:

- a) To find the major sources of income of private school teachers.
- b) To examine the role of working level on salary of private school teachers.
- c) To analyze the consumption expenditure pattern of private school teachers.

## **1.4 Significance of the Study**

This study will help to magnify the economic features of PST in the society. This thesis will be useful for others researches on different socio economic aspect of PST. The thesis gives information about income and consumption of PST which makes the comparison possible between PST and teachers working in community schools. This information may be further useful to several institutional teachers' unions which are working for the right of PST. The information can be useful to policy maker, planner, Non –Government Organization (NGO), International Non-Government Organization (INGO) and other researchers. Moreover the thesis may also be useful to reform the existing government policies and implement new policies for the welfare of PST.

## **1.5 Limitations of Study**

The study has some limitations which are mentioned as follows:

- a) This is the case study on income and consumption pattern of PST from different schools located in North and East sectors of Kathmandu metropolitan city. These schools supposed to represent the economic behavior of PST in Katmandu metropolitan.
- b) An individual's income of PST includes only two major sources i.e. salary and tuition fee.
- c) The transitory income and expenditure are not included in the income. The study includes only regular income and expenditure.
- d) Consumption of family does not include selfproduced goods.
- e) The study totally depends upon primary data.
- f) The study includes the income and consumption expenditure of teachers working in primary, lower secondary and secondary level in the study area.
- g) The study has not included work experience of PST.

## **1.6. Organization of the Study**

The study is divided into five chapters. The first chapter is the introduction which deals with the general back ground, statement of the problem, objectives of the study, significance of the study, limitation of study and organization of study. The second chapter is for review of literature that covers the context of Nepal and South Asian Association for Regional Cooperation countries including literature gap.

Likewise, the third chapter is for research methodology that includes the information about research design, types of research, and sources of data, sample area, sample size, sampling procedure and tools of data analysis.

The fourth chapter is the main body part of the study that includes demographic analysis, sources of income, disparity of income and consumption pattern of PST and their family. As well as, it covers relation of income with educational status and working level of PST.

Last, but not the least, the fifth chapter is for major findings, conclusion, and recommendations

## **CHAPTER - II**

### **REVIEW OF LITERATURE**

The first chapter gives general background of the study. Similarly, statement of problems, objectives, significance, limitations and organization of the study are also included in the previous chapter. A literature review is an evaluative report of information found in the literature related with selected area of the study. Therefore, this chapter includes the review literature of Nepalese context and SAARC Countries related with income and consumption pattern in respective study area.

#### **2.1 Nepalese Context**

Lamichhane (2002) carried out study on consumption and income behavior of the people of Jagatpur Village Development Committee (VDC), Chitwan district with the objective to explore economic aspects of the sampled households (HH) on the basis of different income groups. He used primary and secondary data in analyzing. Primary information was collected using random sample technique. 10% of the total HHs was taken into consideration. The study categorized sampled HH in three groups, on the basis of land holding. The HHs holding land above 1.04452 hectare were termed as large farmers, HHs holding land between 0.5231 to 1.04452 hectares and less than 0.5231 hectares were termed as medium and small farmers respectively. He used range, deciles, Gini coefficient, Lorenz curve, and regression analysis as statistical tools to analyze the inequality in the size distribution of income. Keynesian consumption functional form and Engel's elasticity's were used to study the consumption function.

The study traced out the value of Gini- Coefficient (G.C) of per capital income and total HH income was estimated at 0.18 and 0.24 respectively. The value of G.C was found to be relatively low implying that the distribution of income in the study area was not that skewed while distribution of assets in the study area was highly skewed while distribution of assets in the study area was highly skewed. He had recommended re-adjusting structure of asset so that it can be used more productively. He had also found a large portion of economically active population engaged in agriculture, therefore, he had also recommended a plan can withdraw economically

active people from agricultural sector and reduce the dependency on agriculture sector.

Dangal (2002) carried out the research on income inequality in Nepal which is based on case study of Togachhi VDC of Jhapa with the objective of finding inequality of income, level and the pattern of income and expenditure and to analyze the impact of inequality in social structure. The study used primary data through questionnaire and secondary data from various nonprofit organizations. Simple random sampling without replacement was used. Non statistical tools like table, percent etc, and statistical tools like range Gini ratio and Lorenz curve are effectively used to analysis and presentation of data.

The study found development indicator of region, income and consumption pattern of house hold and inequality in study area. It claimed that expenditure on food item, non –food item was 48,32,15 and agriculture and livestock covered only 5 percentage of total expenditure. It found that G.C ratio among the deciles group was 0.4828 (48.28%). Finally, the study concluded that there was high inequality concentration in rural part of Nepal. The research recommended for education, family planning, health electricity, vocational training, improvement of agriculture technology and tax as major tool to reduce inequality in the study area.

Rijal (2002) conducted study about income and consumption pattern in Khajuri (VDC), Dhanusa district. He had specified the nature of consumption pattern in the study area. In his study area, there were 1100 HHs; out of this he had selected 10% of the HH (110) randomly to collect information. In order to meet the objective, he had completely based on the primary data and used questionnaire as a main tool to obtain information. To analyze data, he had used range, Lorenz curve, Gini coefficient, Regression analysis etc.

The study reveals the following results the average annual HH income was Rs. 52,725.04, average per capital income was Rs. 7,702.2 average annual HH consumption expenditure and average annual per capital consumption expenditure was Rs. 46,378.04 and Rs. 6,775.02 respectively. G.C was 33.58%. He comes to the conclusion that there was the problem of low productivity in the several sectors and unequal distribution of income between different HH. On the basis of the study, he had recommended to channel investment in high return yielding sector like industries,

business from traditional assets like land. Further, he had recommended developing cottage industries for the expansion of employment opportunities in order to raise income.

Rajbhandari (2005) submitted thesis for the degree of Doctor of Philosophy (Ph.D.) in Economics which had shown changing income inequality in Nepal between the year 1984-1990. The dissertation stated that these two dates represent two important decades with drastically political changes 1980s absolute monarchy and 1990s democracy. This study was organized into five chapters. The aim of study was related with an understanding of the inequality of and to describe how income/expenditure inequality in Nepal had changed during the period 1984 and 1996. The study had also examined the inequality of wealth distribution for 1995 and 1996 in Nepal.

The study was based on both primary and secondary data. Two HH survey data of Nepal Living Standards Survey (NLSS, 1996) and the Household Consumption Survey of Rural Nepal (HCSRN 2001) had been taken into study. The extracted data was divided into two categories: income and wealth. Each of these categories was divided further by its sources. For primary data the population had been divided according to different criteria such as urban/rural areas ethnic groups or castes, development regions, religion groups and ecological regions. To measure the inequality tools like Lorenz curve, the Gini coefficient, The Kuznets index, The Theil index, The Atkinson index, The variance of logarithms were used. The concentration of wealth for the population subgroups given above was studied by using different percentiles - top 5%, top 10%, top 20%, top 40%, bottom 60% etc.

The study found out that in 1996 the 20 percent of HHs with the highest incomes earned nearly half 44.8 percent of national income, while the remaining 80 percent of the population divided the other half (56.2 percent) of national income. The 44.8 percent of national income going to the top fifth of HHs represents a statistically significant change from the 39.5 percent figure for 1984 of 5.3 percent points. Thus, the distribution of income worsened between 1984 and 1996 and the losers were the lower quintiles. Similarly, the Gini index for the earnings varies from 0.279 in 1984 to 0.336 in 1996. The thesis stated that, Nepal with a per capita income of US\$ 210 (Gross National Product per capita 1998 and PPP \$ = 1,186) belonged to the group of very low-income countries in the world. The study found that, with high population growth rate of 2.5 percent per year, per capita income had grown by only 1.8 percent



per annum during 20 years and 42% of population lived below the poverty line. The study revealed that the average consumption had remained at 0.867 during 1986-96.

The study made comparison of Nepal's per capita Gross Domestic Product ( GDP) of \$220 against the South Asian per capita GDP of \$380 and placed it amongst the very poorest countries in the world. It concluded that poverty was greater and more pervasive in rural areas, 44 percent as compared to 23 percent for urban areas. The study had discussed 8 most relevant reasons for the poverty of Nepal and they are the centrality of agriculture, poor governance and increasing allegations of corruption, unstable new democracy, dearth of infrastructure, low social indicator, poor poverty of rural labour, early stage of industrialization, and late start of economic development. Wealth inequality in Nepal was higher compared to most industrial countries. Wealth distribution of urban HH was more egalitarian than of rural HH.

NRB (2005-2006) had conducted fourth HBS which had manifested the changes emerged in the consumption pattern of Nepalese HH. The study had taken sample size of 5095 HHs from 48 market centers (23 urban market centers and 25 rural market centers). The survey was conducted from mid November 2005 to mid November 2006. Primary data was collected with the help of questionnaire through direct interview with heads or responsible adult members of HHs.

It revealed that there was a downward shift in the expenditure pattern of the Nepalese HHs in Food and Beverages group compared to the earlier studies. It had declined to 38.90 percent from 66.78 percent in the first survey. The survey had also disclosed the fact that the consumption pattern of Nepalese HHs was shifting to non-food and service group (61.1 percent). Thus the expenditure on non –food and service sector in urban area was increased remarkably to 64.2%. The highest percentage of expenditure on the non-food and service group was occupied by housing and furnishing group (urban 30.2 percent and rural 23.0 percent) 2005-2006. Out of the total HH 10.9 percent were engaged in service/teaching. As per the fourth HBS the reported average monthly HH income stood at Rs. 27,391 (urban – Rs. 31,935 and rural – Rs. 22,225). Similarly, the average monthly expenditure of the HH stood at Rs. 15,130 (Urban – Rs. 17,896 and Rural – Rs. 11,982), of which, 39 percent to food expenditure and 61 percent to non-food expenditure.

Timalsina (2007) analyzed demographic character, different sources of income and its pattern and distribution, HH consumption pattern and disparity of income and distribution in his study area Aadarsha VDC of Nawalparasi with the objectives to identify the income sources, to analyze the income disparity, and to compute propensity to consume. The study was mostly based on primary data collected from 5 wards out of 9. Altogether 112 HH had been selected out of 2246 HH in these wards. The used the statistical tools like range to measure disparity in income he had used G.C, Lorenz curve. The study had also found APC and MPC.

The study analyzed about major findings of the study is: the average HH size was 5.45 and ranges from 3 to 13 members. About 35.71 percentage of total population had income less than Rs.65,000 and the G.C of study area was 0.247 which was less than national figure (0.410). Average annual HH expenditure was Rs. 67329.07 Expenditure on non- food item (59.73%) was more than on food (31.97%). The study found that APC of study area was 68.53%. The study recommended for improvement of irrigation facilities as the income from agriculture is very low. He had also recommended for favorable financial support and technical guidance and provision of selling market for economic growth of poultry product and live stock.

Bana (2008) had made the study on TibetanRufugee.The main objective was to examine the economic status of Tibetan refugees and the various sources of their endowment of Jawalakhel camp. She took 50 HH (i.e.25%) from the camp. All the selected 50 HHs were interviewed and relevant information was collected through structured questionnaires. Lorenz curve and G.C were applied to analyze the data.

She had shown that the high income group spends high on education and health comparatively to low and medium income group. She found the total consumption expenditure made on the food items was 56.49 percent and 43.51 percent was made on non food items among food items, all the income groups have shown higher share of consumption expenditure. Expenditure on housing (non food items) was found to be the highest in all the income groups because housing includes electricity and water bills, Gas and the rent bill. Expenditure on education if found to be second position, i.e.10.47 percent. Her study showed among 50 HH, wage earner constitutes the largest group with 34 percent of the total heads and the rest are engaged in other sector. She concludes that the existence of income inequality in the study area.

CBS (2010) had conducted NLSS III to make study about living standards of Nepali with the objectives to update data on living standard of the people of Nepal and to assess the impact of various government policies and the programs on the social economic changes in the country during last 7 years. It was its third attempt of living standard survey. The survey covered the whole country, including both urban and rural area. The sample design was similar to the one used in previous survey rounds and sampling frame was list of wards and sub wards prepared on the basis of Census 2001. The survey had grouped 14 strata from all over the country for sampling and 12 analytical domains were presented on this survey. To capture seasonal variation period of 12 months is divided into several phases. The survey had study on different sub headings using percentage distribution tables to show demographic characteristics, per capita tables by deciles and quintiles statistical diagrams like bar graph, pie chart, multiple bar diagram to analyze about income and consumption and disparity on them etc.

The survey had found that despite the political impasse, Nepal had reduced extreme poverty incidence to a quarter of the population (25.2%, NLSS 2011 data) but with 33.9% of the population living on less than \$1.25 a day. The survey had taken various components of consumption which are grouped together into 3 main categories they were consumption on food item, consumption on housing, consumption on non food item. Similarly, crop income, non-crop farm income, remittance, consumption of own dwelling, were the main components of HH income sources included in this NLSS and other sources included income from renting building, assets, earning from banks account, shares and pensions. The Survey shows per capita consumption of Nepali was Rs 34,829 whereas per capita income was Rs 41,659. Similarly house hold income and per capita expenditure in Kathmandu valley was Rs. 404,511 and Rs.98, 084 respectively. Living Standard Survey III shows that lowest 80% of population covers 44% of total national income where as richest 20% covers a huge part that was 56% of total national income.

Gautam (2011) analyzed income and expenditure pattern in rural area, based on a case study on Sijuwa VDC of Morang district. He had set the objectives to analyze the socio and economic profile of Sijuwa VDC, to examine the source and range of income of sampled population, consumption behavior and to measure the extent of income inequality. He had made the sample survey. He had taken 60 HH from 9

different wards for sample out of 3718 HH in VDC. He used statistical tool like mean, S.D, C.V etc. Lorenz curve, Gini coefficient, regression analysis was also used to test the inequality in the consumption pattern and income distribution.

He found that first 10% had average yearly income per house hold was Rs. 40,549.58 and 10% highest was Rs.1,62,600.83 Similarly HH size of 5-7 covers 78.10% of total expenditure. The study found that agriculture was the main occupation of HHs and it covered 56.67 % of total HH earning. The study found that the distribution of land among the HHs was found to be unequal. 10 percent people have holding more than 70 percent of total land. Comparatively, villagers spend more money to consumption on food items than non food items. The G.C ratio with respect to HH and per capita income was 0.2162 and 0.239 respectively. The study recommended for encouragement of GraminBikash Bank for financial support to involve poor people in agriculture and non- agriculture sectors. The study had purposed for encouragement for education so as to promote commercial, agriculture, cottage industries in village. Targeted Rural Development Programme should be encouraged to activate rural people towards economic performance.

Acharya (2012) studied on income and consumption pattern of Itahari Municipality with the objective to find out main sources of income, consumption pattern and to examine the relation between pattern of income and consumption with poverty. The study was based on primary and secondary data. Primary data was collected through random sampling method for each 11 HH from 9 wards of municipality. The study had used percentage distribution tables, pie chart, bar diagrams to analysis about social economic feature and distribution of the income and consumption in the study area. The study had used the non statistical tool APC of different occupation in the study area.

The study found that in the study area the largest percentage (31.8%) of annual income was yield by business and second from remittance (26%). Average annual per capita income was Rs. 47075 and 32% of sample population are relatively poor and 23% are absolute poor. 40% of sample population is unable to save. APC of study area was 80%. The study recommended to lunch income generating programme for absolute poor and saving scheme should introduce to increase saving habit, productive investment opportunities should created to discourage unproductive investment.

## **2.2 Context of SAARC Countries**

Ghosh (2005) had made comparative study about rising consumption inequality in Bangladesh, after liberalization from the period of 1973/74 to 2005. The analysis was based on secondary data available for it. It attempted to show the pattern and trend of income and expenditure. The study also tried to analyze consumption expenditure from different points of view considering different relevant factor or variables. Main findings of the study was about the trend of income, consumption and consumption expenditure between the different group of people, between different in terms of differences in age, sex, education, family size, geographical area, family size etc. The study had observed inequality in consumption between rural and urban areas of Bangladesh. The study found that cereals vegetables edible oils and clothing were treated as necessities both in rural and urban areas, but pulses and beverage were taken as necessities in urban area only. On the other hand egg fish meat was taken as luxuries in both urban and rural areas. The study had suggested for equal distribution of education, training, skill, information, investment in technology and human capital to reduce inequality in consumption in the society.

Rajbhandari (2005) submitted a Ph.D dissertation about the measurement of inequality trends in Nepal (1984-96) and its comparison with other countries of South Asian Association for Regional Cooperation (SAARC). The main objective of the dissertation was to provide the reasons for the inequality trend in South Asian Nations over the last two decade. The study used the latest observation for each country from the World Development Reports 1998 (World Bank). Data on personal or HH income or consumption were drawn from nationally representative HH surveys. To show inequality trend the study made comparative analysis on the G.C, deciles, quintiles group of two time period.

The study had analyzed about the fluctuation of inequality in India and other SAARC countries between 1983 and 1986 A.D. the study had stated that the Gini index increased by 0.56 percent point during these periods. India experienced a decline in inequality for the next four years. It reached the lowest inequality level of the last two decades in 1990, with a Gini index equal to 27.28 percentage points. Then, in the nineties the inequality rose drastically in India. The thesis had state that Bangladesh experienced decreasing income dispersion during the period of 1981-96. The aggregate share of the richest quintile decreased from 1981 to 1996. On the contrary,

the poorest quintile share had consistently increased throughout this period; while the middle three quintiles experienced a mixed pattern with a rise and fall of their income share in the national income. The study declared that Bangladesh had succeeded to reduce the inequality of income distribution in the 1990s compared with the 1980s. The study also stated that in Pakistan, between 1985-97, 6 HH surveys were carried out to estimate the income distribution of the country. The initial inequality registered 0.30 for the Gini index. From 1986 to 1997, Pakistan experienced a decline of income inequality. The study had state that in Srilanka, between 1980 and 1995, four HH surveys were used to estimate the income distribution of the country. The initial inequality was measured at 0.41 for the Gini index. The study found that, between 1981 and 1987 inequality of income increased to the highest point for the South Asian Nations with the G.C 0.42 and between 1987 and 1990 the Gini index declined dramatically by more than 14 percentage points.

Department of National Planning - Ministry of Finance and Treasury (2009) of Maldives had conducted second national wide survey HIES which was based on HH income and expenditure of the Maldives in the year 2009-2010. The survey collected detail information on the expenditure, income, demographic and socio-economic characteristics from local HHs living in the administrative islands of the country. The main objective of HIES was to produce reliable statistics on different components of income and expenditure of households in Male' and the Atolls to assess the economic well-being of the population. The Survey was conducted in Male' in 2009 (October-December) and in the Atolls in 2010 (March – May and August). A sample size of 2,060 household was selected for the survey, representing 4.5 percent of all local households in the administrative islands of the country. 39 islands were randomly selected from all 20 Atolls and the capital Male. Six strata blocks were allocated according to the proportion of population in Male'. Stratification in the Atolls was done by population and then by region islands with a population of above 2000 persons were selected. The survey measured inequality using quintiles groups, Lorenz Curve, Gini coefficient etc. Similarly consumption is analyzed through statistical figure bar graph, trend line, pie chart and percentage table were used in the study.

The survey found that there had been two times increase in the HH operations and on housing between 2003 and 2010. The study revealed that the increase was mainly due to the hike in rent prices in Male' as there was a growth in demand for housing in

Male', which was fuelled by the increase in income. HH expenditure on food had increased only by 17 percent, as prices of major staples are controlled by the government. Among all the expenditure groups, tobacco and chewing products was the only group that shows a decline in the HH expenditure. The expenditure on this group had declined by 6 percent. The study found that main expenditure on food was on bread & cereals group and milk, cheese & eggs. The HH food expenditure on both of these categories was 20 percent on each. In HIES 2010, 12 percent of the HH expenditure was spent on travel abroad. It also found that the average monthly HH expenditure was higher for larger HHs in 2009/10. However, the average monthly HH expenditure per HH member was lower for the larger HHs. This was because larger HHs enjoyed economies of scale in sharing common facilities.

According to HIES 2009/10, the G.C for the Maldives was 0.37 (37.0). The study made comparative analysis of income disparity in the country with other Asian countries and found that the level of disparity seems to be similar. The study mentioned G.C of few countries in the region. It had state that G.C of India, Indonesia, Srilanka and China was 36.8, 36.8, 40.3, and 41.5 respectively. It can be noted that G.C for Maldives lies between these countries and notably lower than Sri Lanka and China. The survey found that the percentage increase in the number of unemployed person between, 2006 to 2010 was 141 percent for males and 93 percent for females. The percentage change in the number of employed between the two periods was positive for males (4 percent) and negative for females (-7 percent). Major reasons for increasing unemployment are unable to find suitable employment, lack of opportunities, youth engaged in studies, HH chores, objection to work by family members, lack of opportunities etc. The survey had explained main four sources of income and they are wages & salaries, property income, business profit, transfer income. In 2009/10, the monthly HH income from all sources was almost Rs 792 million. The increase in HH income was due mainly to increase in wages and salaries. About 54 percent of the total HH income was contributed by female headed HHs at the national level.

UNESCO (2009) had made study on social and living standards measurement in Pakistan which was one of the main mechanisms for monitoring the distributional impact of different government programs carried out in Social Sectors. This was the analytical report of the 5th round of Pakistan Social & Living Standards Measurement

Survey (PSLM) Survey which provided an overview of the findings in all sectors and compares them with previous rounds of PSLM.

This survey consists of all urban and rural areas of the four provinces and Islamabad excluding military restricted areas. For the study each city / town had been divided into enumeration blocks consisting of 200-250 households identifiable through sketch map. Each enumeration block has been classified into three categories of income groups i.e. low, middle and high, keeping in view the living standard of the majority of the people. The survey had taken the list of villages published by Population Census Organization obtained as a consequence of Population Census 1998 has been as rural frame. Keeping in view the objectives of the survey the sample size for the four provinces had been fixed at 75188 HHs comprising 5298 sample villages / enumeration blocks. Survey had collected information on a wide range of topics using an integrated questionnaire.

The survey found out that in 2008/09 average house hold size in urban area of Pakistan was 6.2, 6.6 in rural area and 6.5 in overall Pakistan. Overall gross enrollment rates at primary level rose by two percent and the changed was calculated to 90 percent when Katchi was also included and the age group was expanded to 4-9 year olds. The literacy rate for population 10 years and above increased from 55 percent to 57 percent during 2006-07 and 2008-09. The increase in literacy rate was greater in Sindh Province (from 55 percent in 2006-07 to 59 percent in 2008-09) than in other provinces. Adult literacy rate for the population aged 15 and above had increased from 52 percent in 2006-07 to 54 percent in 2008-09. Under the survey HH were asked to compare their economic situation with last year. In response to this question a decrease was visible in the people who believe that their economic situation remains unchanged, as 44.44 percent in 2008-09 reported no change (51.52 percent in 2006-07). An increase was observed in the number of HHs who see their economic position worse or much worse (33.09 percent in 2008-09 as compared to 21.35 percent in 2006-07), whereas 22.24 percent reported better or much better in 2008-09 (26.99 percent in 2006-07). However, when asked to compare the economic situation of the community where they live, 54.07 percent in 2008-09 reported the same (59.24 percent in 2006-07), 19.34 percent reported worse or much worse (10.27 percent in 2006-07) and 21.04 percent reported better or much better (25.93 percent in 2006-07).



DCS (2010) conducted a survey combine with Labour Force Survey to make the study of HH income and consumption of Srilanka. The survey was conduct once in every three years starting from the HIES 2009/10. The main objectives of study were to measure and monitor living standards of the HH population over time and regions, to observe consumption patterns of goods and services, to compute other human development and socio economic indicators such as poverty and price indices. Sample design of the survey was two stage stratified. District was the main domain used for the stratification. The survey had collected HH expenditure under the following three main sections of the survey questionnaire; the expenditure on food items, expenditure on non- food items and expenditure incurred by boarders and domestic servants.

The major findings of survey were as follows: average monthly HH income was Rs. 36,451 in 2009/10 had been increased by 38.7% within the 3 years period, which was calculated at Rs. 26,286 in 2006/07 but the growth of average monthly HHs' income since 2006/07 to 2009/10 was only 14% (from Rs. 41,928 to Rs.47, 783) in urban sector. The survey had shown that the average monthly HH expenditure in Srilanka in 2009/10 was Rs.31, 331 in which Rs. 13,267 (42.3%) was the expenditure on food consumption and Rs. 18,064 (57.7%) was on non-food items and services. In 2006/07 the average monthly HH expenditure was Rs. 22,952 and Rs. 8,641 (37.6%) was the expenditure on food consumption and Rs. 14,311 (62.4%) was on non-food items and services.

Sonalde, Desai, Dubey, Joshi , Sen , Reeve Vanneman (2010) had made a survey on overall Indian income and consumption including organization of a HH survey entitled India Human Development Survey (IHDS) 2005. This volume was the culmination or climax of six years of work. The strength of this report was its analysis of a survey of 41,554 HHs jointly undertaken by researchers from the National Council of Applied Economic Research (NCAER) and the University of Maryland. The survey involved interviews of 41,554 HHs in about 1,500 villages and 800 urban blocks, in 13 languages.

The survey analyzed that the typical Indian HH earned Rs 27,856 in 2004; half of all HHs earned less, and half earned more. Almost 11 per cent earned over Rs 1,00,000. It had found that average per capita house hold income in India was for rural, urban and total was respectively Rs.22,400, Rs. 51,200 and Rs.27,857. Similarly, per capita income wa s Rs.4, 712, Rs.11,444 and Rs.5,999 respectively forrural, urban and total

in 2004/05. The highest per capita house hold income and highest per capita income was from urban part of North –East state of India with Rs.90000 and Rs.15662. The survey found that about half of all Indian HHs have two adults, and their median income (Rs 24,000) was near the national median. But almost a quarter of Indian HHs had four or more adults. With four adults, the median HH income rises to Rs 39,450, and with six or more, it rises to Rs 68,400. Not surprisingly, the 8 percent of HHs, with only one adult, are the poorest with a median annual income of only Rs 13,435. The survey had studied about Adivasi and Dalit HHs and found that they have lowest annual incomes: Rs 20,000 and Rs 22,800, respectively. Other Backward Classes (OBCs) and Muslim HHs are slightly better off, with incomes of Rs 26,091 and Rs 28,500, respectively. The forward castes and other minorities (Jains, Sikhs, and Christians) have the highest median annual incomes: Rs 48,000 and Rs 52,500, respectively. About the source of income the survey found that most Indian HHs (71 per cent) receive wage and salary income which accounts for more than half (54 per cent) of all income, about 20 per cent of HHs engaged in some form of business, income from property, dividends, and pensions was less common (only 10 per cent of HHs receive this kind of income) it was just 19 per cent of all income. The study found that more than a quarter (29 per cent) of HH was engaged in agricultural labour but this work used to be seasonal so the income accounts for only 7 per cent of total income. Although 35 per cent of HHs engaged in farming or animal care, cultivation accounts for only 19 per cent of the total income. Similarly, 27 per cent of HHs engaged in non-agricultural wage labour, but it accounts for only 11 per cent of total income. Farm incomes are even more common. More than half (53 per cent) of all Indian HHs have some agricultural income. While, comparing income and consumption in all India mean annual house hold income was Rs.49, 073 and median annual house hold income was Rs. 28,721 where as the figure for consumption were Rs. 48,795 and Rs.36, 476 respectively.

The study had estimated about 25.7% of Indian were below poverty line. The top 10 per cent of HHs (that was the 90th percentile) earned more than Rs 1,03,775, whereas, the bottom 10 per cent (that is, the 10th percentile) earned Rs 8,000 or less ,an eleven fold deterrence. The study stated that with G.C of about 0.37, India was considered to be a moderately unequal country by world standards. The survey compared the G.C for Scandinavia and Western Europe was generally below 0.30, while that for middle-

income developing countries tend to range from 0.40 to 0.50, and that in some of the poorest nations exceeds 0.55

Mudugamuwa (2012), in his article wrote that Multidimensional Poverty Index (MPI) is a human development measure which assesses severe poverty in three basic dimensions: health, education and living standards. He had written that the MPI and the multidimensional poverty headcount index in Sri Lanka are the lowest in the SAARC region. He had based his study with the national poverty lines computed by the Department of Census and Statistics, and stated that the incidence had declined from 26.1 percent in 1990-1991 to 8.9 percent in 2009-2010, a reduction of more than 65 percent. Around one million poor people moved out of poverty from 2006-2007 to 2009-2010 as the overall number contracted from 2.8 million to 1.8 million.

### **2.3 Research Gap**

The reviewed studies mentioned just above are conducted not only to find out sources of income and its pattern but also the size and pattern of consumption pattern found in any state or region of the country. Moreover, many researchers were conducted to find out inequality in income and assets holding of individual or HH in the given region. The studies were based on primary and secondary data. It found common to use percentage distribution table, pie chart, bar diagram, time line etc to represent the data of income and consumption pattern. Whereas mathematical tools like as the G.C ratio, Lorenz curve, mean to analyze about the depth of inequality in the study area.

This study is specially focused on income and consumption pattern of one of the important profession of the society which is school teaching in private sector. This study had tried to find out the income sources and consumption pattern and the income disparity of private school teachers. Arithmetic mean had been employed to make comparison among the teachers working in different post and with different sources of income. Similarly the G.C ratio and deciles groups, Lorenz curve gave highlight on the inequality found in this profession among PST with different post and academic qualification professional. Government may have conducted different surveys to find the income analysis of teachers working in community school but hardly find anything regarding to the PST. So to the best of my knowledge, this may be the first attempt and tiny effort to study about sources of income and consumption pattern, relation of salary with academic qualification and post of PST. It is found these are missing in the reviewed research.

# CHAPTER - III

## RESEARCH METHODOLOGY

Research Methodology describes the method and the process applied in the entire aspect of the study. It contains various sequential steps that are to be adopted by the researcher in study with certain objective in view. The major topics included are research design, sample area, sample size, sample procedure and tools of data analysis.

### 3.1 Research Design

This is a micro study on income and consumption pattern of PST of Kathmandu Metropolitan city. The research is based on both qualitative and quantitative research. It is basically focused on primary data. The source of information was private schools teachers. The study is descriptive and analytical in nature.

### 3.2 Sample Area

The research is based on income and consumption pattern of teachers who are working in private schools in Kathmandu metropolitan city. Area of sample was selected in Kathmandu metropolitan city and it was limited to secondary schools. The sample was collected from the schools located in Chabahil, Sinamangal, Old Baneshwor, Mid-Baneshwor, Sankhamul, Koteshwor, Baluwatar, Lainchour, Gangabu. The research is based on private education sectors only.

### 3.3 Sample Size

According to Kathmandu Metropolitan City Office (2013) there are 125 private secondary schools in study area. Out of them 15% ( $18.75 \approx 19$ ) of them were selected as representative schools. Accordingly, 19 private schools from study area had been randomly selected for sample. All together 60 teachers had been selected for research purpose from those selected schools.

### 3.4 Sampling Procedure

**Profile of Stratified Random Sampling**

Gender	Primary. Level	L. Sec Level	Sec. Level	Total
Male	4	14	18	36
Female	16	5	3	24
Total	20	19	21	60

The study has used stratified random sampling and cluster sampling and then systematic random sampling has been selected.

### 3.5 Tools of Data Analysis

The study had applied descriptive and inferential statistic tools to analyze the data. Frequency test had been conducted and mode of analysis was Lorenz Curve, Gini coefficient, arithmetic mean, etc. Computer with word processing, word excel, graphical software were used to throughout the analysis of data. The study had used only different statistical tools to analyze about income, consumption and inequality. The study had also used statistical diagrams and figures like bar diagrams, multiple bar-diagram and pie-chart to interpret the tabulated data more clearly. The statistical tools used in the study are described below.

**a) Arithmetic Mean:** It is most popular and widely used average. It is also known as average or mean. It is the single value to represent the whole data. The study had used it to represent the income standard of PST and to make comparison between PST working in different post and with different qualification. The study had used it to compare consumption of PST family with different HH size. It is very easy to calculate and further useful to calculate other statistical tools. It is simply, the sum of observation divided by number of observations in case of individual series.

**b) Lorenz Curve:** The study had shown graphical presentation of inequality in income of PST through Lorenz curve. To derive Lorenz curve the survey had arranged cumulative percentage of PST (X) from the poorest to the richest along the horizontal axis. The cumulative percentage of income enjoyed by x percentage of PST had shown on the vertical axis. The straight line had joined the order pair (0, 0) and (100, 100) which is known as the line of equality. At this line each unit of population receives the same income. The Lorenz curve displays the deviation of each individual's income from perfect equality. The nearer the Lorenz curve is to the line of equality, the more equal is the distribution.

c) **The Gini –coefficient (G.C):** It is powerful tool for the study of size distribution of income.

Geometrically:  $G.C = \frac{\text{Area between Lorenz curve and } 45^0\text{line}}{\text{Total area under } 45^0\text{ line}}$

## CHAPTER-IV

### PRESENTATION AND ANALYSIS OF DATA

Chapter- IV is main body of research related with data analysis and presentation. This chapter includes demographic features of study, sources of income of PST and their family. The chapter highlight about role of education and post in income and salary of PST. It also gives information about consumption pattern of family of PST.

#### 4.1 Demographic Features of Study

The Age structure, composition of population and family size of study area has greater impact on quality of life, level of income and consumption on the study area. These demographic characteristics of PST are shown on the analysis ahead.

##### a) Distribution PST by Age and Gender

High unemployment is always big social and economic issue in context of Nepal and private schools have created ample job opportunities in present context. It is very interesting to know about demographic features of human resource involved in any sector. The age structure and gender distribution are leading characteristics among various demographic characteristic of any sector.

**Table: 4.1**  
**Age Structure and Gender Distribution of PST**

Age ( in yrs)	Male	Percentage	Female	Percentage	No. of PST	Percentage
20-30	15	68.18	7	31.82	22	36.67
30-40	20	64.52	11	35.48	31	51.67
40-50	1	14.29	6	85.71	7	11.66
Total	36	60.00	24	40.00	60	100.00

Source: Field Survey, 2015

Table 4.1 shows the features of human resource involved in private schools. The study finds three different age groups of PST 20-30, 30-40 and 40-50 years in study area. The table shows that more than half i:e 51.67% of PST in the study area is of the age 30-40 years, out of which 64.52% are male and remaining 35.48% are female. The most senior age group involved in private school teaching is 40-50 years. Therefore, we can say school teaching in private sector is joined by the age groups

which are economically active. Female involvement in most senior age group is 6 times more than of male. The table shows that male involvement in senior age groups of goes on decreasing. The study shows that female works longer period in private school than male. We can find more senior age groups of teachers than this, in community school. Generally, people in community schools use to work up to 60 years. Private schools have much more work load than in community schools. So they prefer the human resources with less age group and more physically fit than in community school. Besides this lack of provision of provident fund and other incentives in private school, PST do not retain longer period in their job. Therefore, the study found none of PST has age more than 50 years.

**b) Age Composition of PST Family Members**

The size and structure of the family has direct impact on the quality of life and living standard of the family. The age structure of population shows the proportion of people in different age groups.

**Table: 4.2**  
**Age Structure of PST Family Members**

Age (in yrs)	0-10	10-20	20-30	30-40	40-50	50-60	60-70	Total
No. of Members	14	30	74	53	36	31	12	250

Source: Field Survey, 2015

Table 4.2 shows that most of PST family members have the age between 20- 30 years. 74 family members out of 250 total family members are of this age. This age group is followed by age group 30-40 and 40-50 years having 53 and 36 members respectively. The most senior age group 60 - 70 years has the least family members 12.

**c) Average Family Size**

Average family size gives information about average number of family that a HH contain. It can be computed by dividing total number of family by total number of family observed. Average house size of PST is calculated below.

$$\text{Average Family Size} = \frac{250}{60} = 4.17$$

HH size is the number of members in HH. According to NLSS 2010 National Average HH size is 4.9. The table 4.2 clarifies that average family size of PST is 4.17.



Comparing with national demographic figure it is slightly smaller than it. Simply, a HH of PST contains about 4 persons on average.

**d) Dependency Ratio**

Dependency ratio is the ratio 0-14 age groups and those 60 years and above to the population in the economically active age group i.e. 15-59 years.

**Table: 4.3  
Dependency Ratio in PST Family**

Age( in yrs)	Below 14	14-60	Above 60	Total
No of Members	23	213	14	250

Source: Field Survey, 2015

$$\begin{aligned}
 \text{Therefore, dependency ratio} &= \frac{\text{age below 14} + \text{age above 60}}{\text{active population}} \\
 &= \frac{37}{213} \times 100\% \\
 &= 17.37\%
 \end{aligned}$$

According to NLLS 2010/11 the overall dependency ratio is 84.4%. At the same time dependency ratio in urban sector is 59%. The dependency ratio in PST family is much more less than national figure. It is just 17.37%. Out of 100 active family members have to support only about 18 members. Since this is the study about the economically active people dependency ratio seem to be significantly less than national average.

**e) Ethnic Group of PST**

Kathmandu is the capital city of Nepal. Kathmandu metropolitan provides various employment opportunities for the people from different sectors, background and parts of the country. Most of the citizen chooses Kathmandu for better education, sound health services, successful career and secured business provision. So we can find the people from different ethnic of group and profession. Teaching profession is one of the major professions among these various jobs in Kathmandu.

Therefore, it would not be wrong to say that at the present context private schools prove themselves as one of the major sector to create job opportunities in Kathmandu. Teaching in private school is preferred both by male and female from different ethnic groups. Today’s society integrates economic achievement with social justice too. Sex ratio is one of them.

Among different ethnic groups in Nepal, 5 groups have been seen as major groups in private school teaching. They are Brahmin, Chhetri, Newar, Janajati, and Madhesi. Involvement of male and female from different ethnic group are classified in the Table 4.4.

**Table: 4.4**  
**PST Involvement by Ethnicity and Sex Ratio**

Ethnic Groups							
Gender	Brahmin	Chhetri	Newar	Janajati	Madhesi	Others	Total
Male	20	8	3	2	2	1	36
Female	9	2	9	2	2	0	24
Total	29	10	12	4	4	1	60
In %	48.33	16.67	20.00	6.67	6.67	1.67	100

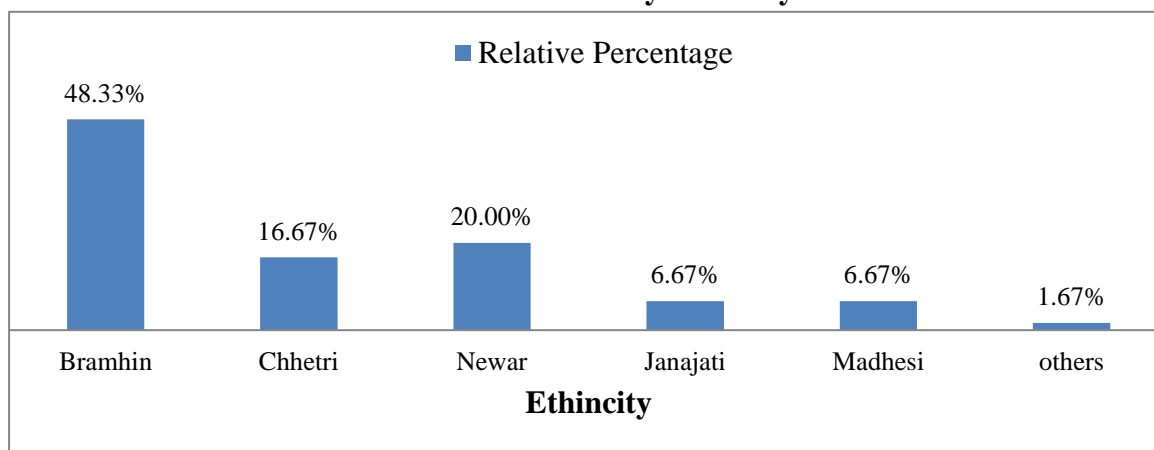
Source: Field Survey, 2015

Table 4.4 shows the number, proportion and percentage of male and female working as PST. According to the table male involvement in private school is 60% and female is 40% of total. It shows male dominance in education attainment too. The table shows percentage of 6 different ethnic groups involved in private school teaching. We know that Chhetri is the largest caste/ethnic groups having 16.6% (4,398,053) of the total population followed by Brahmin (12.2%; 3,226,903) at national level (NPHC 2011). But, the study finds near about 50% of total job opportunity in private schools of study area is occupied by Brahmin. History has also proved that Brahmin families are educated and involve in teaching since long time. It seems that private schools are using local human resources from Newar community. In the study area contribution of Newar exceeds the contribution of Chhetri and it takes second place with 20% of total PST. There seems equal contribution of Janajati and Madhesi with 6.67% and remaining 1.67% of total number of PST are from others.

The study gets male involvement as PST is more than female in both Brahmin and Chhetri ethnic groups. In Brahmin group the contribution of male is 68.96% whereas the female is just 31.03%. Therefore, male involvement is more than double that of female in Brahmin group. Similarly, male involvement is 4 times of female in Chhetri group. On the contrary, Newar community female seems to be more actively involved in PST than male members. Most of the male members of Newar community are found to be involved in business so it seems their involvement is less in private school. Male participation as PST is one-third of female in Newar community.

Among all Janajati and Madhesi group justify social justice in private school with equal sex ratio with 2:2. The information can be clearer through Figure 4.1 showing ethnic groups in bar diagram.

**Figure: 4.1**  
**Distribution of PST by Ethnicity**



Source: Table 4.4, 2015

#### **f) Distribution of PST Families by Household-size**

The HH size refers to the number of family members in the family. Most of the family in Nepalese society is extended in nature. But, people prefer started to nuclear family than extended since last few years. Better job opportunities in urban cities, choices of freedom or less restrictive life, better education background, less interference in life etc make the people to choose nuclear family than joint, although there are several advantages of joint family. Same reflection of the society can be seen in PST families.

**Table: 4.5**  
**Household Size of PST Families**

HH Size	2	3	4	5	6	7	8	9	Total
No. of family	4	20	12	17	3	2	1	1	60
Percentage	6.67	33.33	20.00	28.33	5.00	3.33	1.67	1.67	100

Source: Field Survey, 2015

Table 4.5 shows distribution of PST families by HH size. The study finds 8 different HH in the study area. The table makes clear that, only 2 out of 60 sampled families have HH size more than 7 and cumulative percentage of HH size 3, 4 and 5 is 81.66%. 20 families i.e. 33.33% of HH in the study area have only 3 family members. This group is the highest among all. Similarly, 20% of the families have 4 members.

Therefore, it is clear that more than half of the family has HH size 3 or 4. It shows that structure of families is changing towards nuclear family system.

According to table it seems that most of the people with academic background prefer single child in the family. But the table makes clear that there is still charm for joint family left in Nepalese society. Since the study finds that joint family covers 40% out of total family members.

#### **g) Education Status of PST**

Education is most important aspect in whole society. Educational attainment is important determinant of individual and country welfare. It reflects the standard of society. Education with higher qualification is inevitable in the field of education.

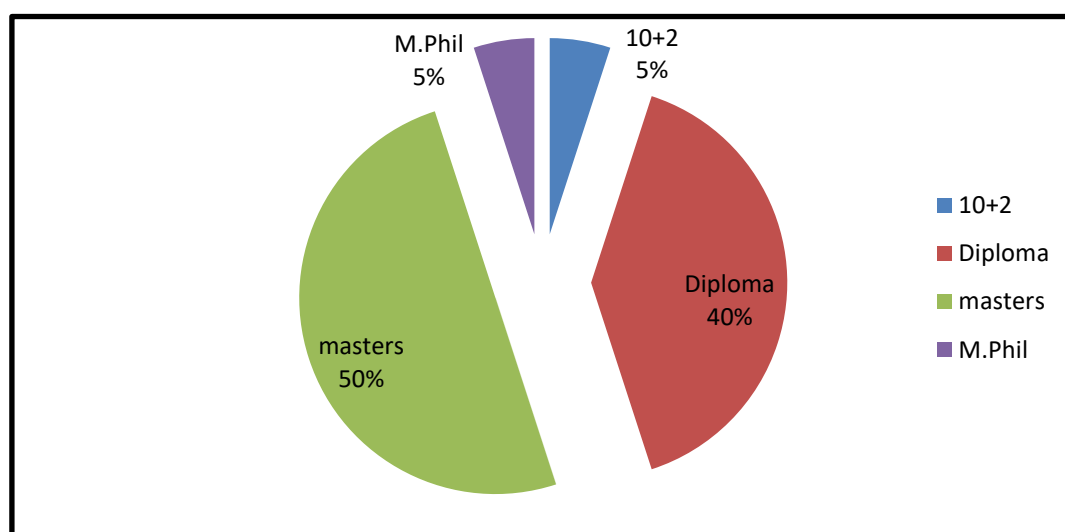
**Table: 4.6**  
**Qualification of PST**

<b>Gender</b>	<b>10+2</b>	<b>Diploma</b>	<b>Master</b>	<b>M. Phil</b>	<b>Total</b>
Male	0	13	20	3	36
Female	3	11	10	0	24
Total PST	3	24	30	3	60
Percentage	5	40	50	5	100

Source: Field Survey ,2015

The table 4.6 shows detail classification of teachers according to qualification. To analysis about educational status of PST the study has categorized 4 different academic qualifications and they are 10+2, Diploma, Master and M. Phil. The table shows that 40% of total PST has passed Diploma level, and only 5% has highest qualification M.Phil. The study finds that out of 24 female PST only 3 hold the least qualification 10+2 where as male PST seems to be absent with this qualification. In aggregate only 5 % hold least qualification 10+2. Among female PST, number of master degree holder is 3.33 times of 10+2 passed. The study finds 55.56 % of male PST and 41.67 % of female PST are master degree passed. In aggregate 50 % of PST holds Master degree. Lack of employment generatting sectors of and weak industrial base as well as lack of a managerial and entrupreneur skill among the educated cirle etc make highly qualified human resources to choose private school teaching as alternative profession.

**Figure: 4.2**  
**Distribution of PST by Qualification**



Source: Table 4.6, 2015

The figure 4.2 shows that percentage of number of PST with degree holder is 10 times more than that of 10+ 2 passed. All together 90% of total PST has passed diploma level. The figure explains that almost private schools are comprised of qualified human resource.

#### **h) Educational Status of PST Family**

Both literacy and education attainment are important determinants of individual and HH welfare. They affect the level and pace of economic development in a given country. Literacy has a positive impact on health and nutritional status and overall well being of the individual and the HH. Educational attainment, among other things, is directly related to the economic status of the HH.

The Table 4.7 shows qualification of family members of PST. Education of family members of PST is categorized in 7 groups of academic qualification. It shows that overall only 8.94% of total families members of PST are illiterate and rest 91.06% of total family members are reported to be literate. So the literacy rate is noticeably higher than the national average of 65.9%. (NPHC, 2011). Most of the literate people are bachelor passed which consists of 26.31% of total family members and followed by the group below S.L.C with 24.73% .The study finds 8.94% of family members have completed S.L.C.

The table also highlight about male and female literacy. Among all academic groups, the least is of above master with 2.10% of total PST. The group is solely comprised of

male members. Number of female with qualification above master is nil. In aggregate, 13.68% of total has hold master degree. On the contrary, we can mark disparities in literacy rate. Percentage of female illiteracy is more than that of male. Percentage of illiterate female is 10.31 but male is 7.52. Therefore, 92.47% of male are literate and that of female is only 89.69%. Both of male and female literacy in teacher's family is higher than national male literacy rate and female literacy rate, 75.1% and 57.4 % respectively. Moreover, up-to bachelor level female are seemed as more educated than male. However, above master level qualification of male is increased significantly as compared with female. Percent of male holding master and above master is around 23.65% where as 8.24% of female hold qualification of master and above master. Percent of male members holding master degree exceed of female by 11.11%.

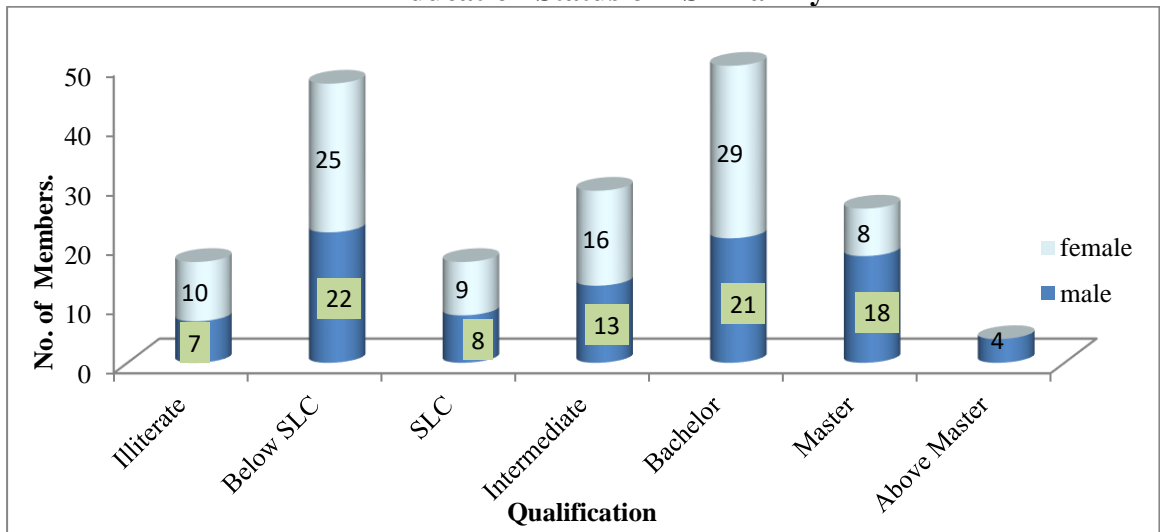
**Table: 4.7**  
**Percentage Distribution of PST Family Member by Academic Qualification**

S.N	Qualification	No. of Male	% of Male	No. of Female	% of Female	Total Members	Total percent
1	Illiterate	7	7.53	10	10.30	17	8.94
2	Below SLC	22	23.65	25	25.77	47	24.73
3	SLC	8	8.60	9	9.27	17	8.94
4	Intermediate	13	13.97	16	16.49	29	15.26
5	Bachelor	21	22.58	29	29.89	50	26.31
6	Master	18	19.35	8	8.24	26	13.68
7	Above Master	4	4.30	0	0	4	2.10
	Total	93	100.00	97	100.00	190	100.00

Source: Field Survey, 2015

The information given by the academic qualification of male and female members of PST families can be clearer with the Figure 4.3. The figure shows sub divided bar diagram of education status of PST family. Through the bar diagram it is clear that most of the female literate are bachelor passed and male are below S.L.C. Among all, above master qualification consist of least family members.

**Figure: 4.3**  
**Education Status of PST Family**



Source: Field Survey, Table 4.7

## 4.2 Major Sources of Income of Private School Teachers

Income is the consumption and savings opportunity gained by an entity within a specified timeframe, which is generally expressed in monetary terms. Among various sources of income the study has taken only two major sources, salary and tuition for analysis. Especially, PST have to give enough time in school, so they do not get time to involve in any other economic activities. Even in leisure time they use to take tuition to guide students. Therefore, tuition is taken as major additional source of income for them. The study has analyzed income of PST in which salary and tuition are taken as main sources of income.

### a) Distribution of PST by Income Sources

In private schools some of teachers do not take tuition, salary is only the source of income for them. The study mentioned them as Salary Holder Teachers (SHT). But some of them take tuition as additional source of income beside salary. The study mentioned them as Tuition Taking Teachers (TTT).

The study has analyzed distribution of both SHT and TTT in 3 different posts as shown by Table 4.8. We know private tuition is very popular and common among the students in private schools. Therefore, it is the most common additional income source of PST. Table 4.8 also justifies the statement since it shows that more than half of total PST (34 PST) out of 60 in the study area take tuition. Percent of PST taking tuition is 56.66% and only 43.34% are truly SHT. It is found that generally parents'

guidance to their wards in studies is not enough due to their busy schedule. So they prefer tuition as the best way to update the study of their children. As the result tuition is common in most of the private schools.

**Table: 4.8**  
**Percentage Distribution of TTT and SHT in Different Level**

<b>Level</b>	<b>No. of TTT</b>	<b>% of TTT</b>	<b>No. of SHT</b>	<b>% of SHT</b>
<b>Primary</b>	5	14.70	15	57.70
<b>L.Sec</b>	13	38.24	6	23.07
<b>Sec</b>	16	47.06	5	19.23
<b>Total</b>	34	100	26	100

Source: Field Survey, 2015

Table 4.8 also highlight about the percentage distribution of SHT and TTT in different level. The numbers of PST taking tuition differ by the level they taught. Out of those 34 TTT, 16 are secondary level teachers (Sec. level) i: e 47.06 % of TTT is from Sec. level. Similarly, 38.24% are lower secondary teachers (L.sec), where as only14.70 % is primary level teachers. Out of total TTT percentage of Sec. is more than three times of primary level teachers. Most of the parents cannot easily guide the courses of secondary level, so tuition seems most common additional source of income in secondary level. Besides, this result oriented SLC level and wishes to get high percentage in S.L.C may be the reason for it.

**b) Percentage Distribution of PST in Different Posts as TTT and SHT**

The study finds that, PST takes tuition as best additional source of income. The study has categorized PST working in each post as SHT and TTT.

**Table: 4.9**  
**Percentage Distribution of PST in Different Posts as TTT and SHT**

<b>Post</b>	<b>No. of PST</b>			<b>Percentage of PST</b>		
	<b>TTT</b>	<b>SHT</b>	<b>Total</b>	<b>% of TTT</b>	<b>% of SHT</b>	<b>Total</b>
Primary	5	15	20	25.00	75.00	100
L. sec	13	6	19	68.42	31.58	100
Sec.	16	5	21	76.19	23.81	100
Total	34	26	60	56.67	43.33	100

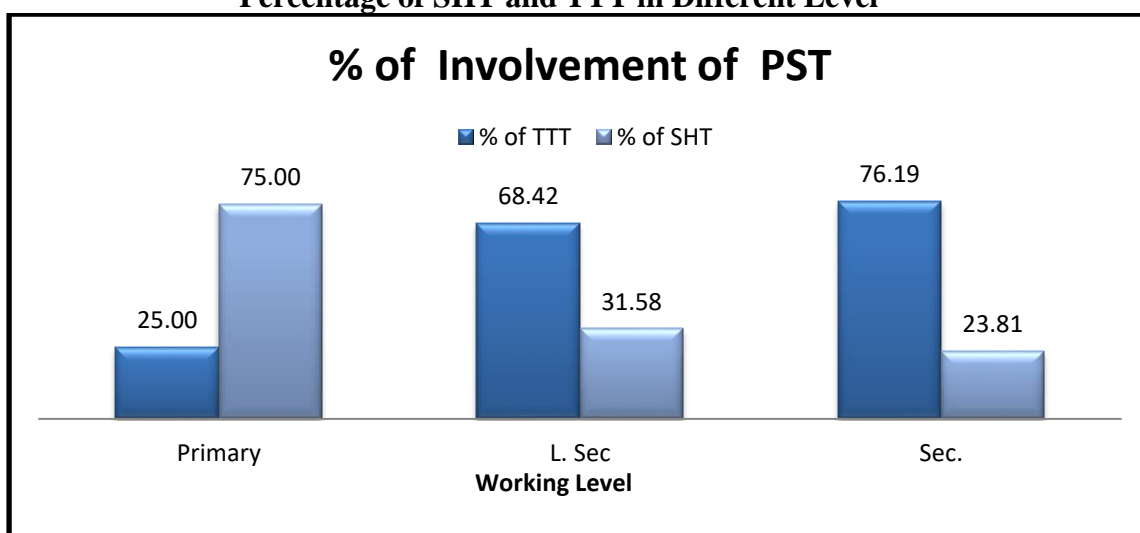
Source: Field Survey, 2015



Table 4.9 shows distribution of PST as TTT and SHT in different post or working level. Level wise analysis shows that out of 20 primary level teachers only 5 are taking tuition, which constitutes just 25% of total primary level teachers and it is one third of SHT working in same level. On the contrary, out of 21 Sec. level teachers, 16 are taking tuition, this constitutes 76.19% of total sec. level teachers. Percentage of TTT in this level is 3.2 times of SHT.

Similarly, Figure 4.4 shows the percentage distribution of SHT and TTT in the multiple bar diagram. The bar graph shows that 75% of primary teachers are salary holder and remaining 25% takes tuition. TTT is 68.42% and 76.19% in lower secondary and secondary level respectively. The bar graph shows that as the level of PST upgraded percentage of TTT increases and SHT decreases.

**Figure: 4.4**  
**Percentage of SHT and TTT in Different Level**



Source: Table 4.9, 2015

### c) Composition of Income of PST

Composition of income shows the contribution of different sources in total income and basic involvement of the members of that group in different activities.

Table 4.10 shows income composition of PST working in different level. Monthly income of PST is composed of salary and additional income from tuition. Total income of PST working in 3 different posts is obtained by the sum of salary and tuition fees earned by them in each level. Therefore, total monthly amount of money earned by all 60 PST is obtained by the sum of salary and tuition fees earned by primary level teachers, L.sec teachers, sec. level teachers them. The sum is equal to Rs.12,68,200. Total income generate through salary is Rs.8,69,700 and tuition is

Rs.3,98,500. Although tuition occupies important place in income of PST, contribution of salary in total income cannot be replaced by it. Contribution of salary in total income is 2.18 times of tuition. They are 68.58% and 31.42% respectively of total income.

**Table: 4.10**  
**Income Composition of PST**

Post	Sources of Income (in NRs.)		Total Monthly Income	No. of PST	Average Income	Percentage Contribution in Total Income	
	Total Monthly Salary	Total Monthly Tuition Fees				Salary	Tuition
Primary	2,30,400	43,500	2,73,900	20	13,695.00	84.12%	15.88%
L. Sec	2,64,900	1,66,000	4,30,900	19	22,678.95	61.48 %	38.52%
Sec	3,74,400	1,89,000	5,63,400	21	26,828.57	66.45%	33.55%
Total Income	8,69,700	3,98,500	12,68,200	60	21,136.67	68.58%	31.42%

Source: Field Survey, 2015

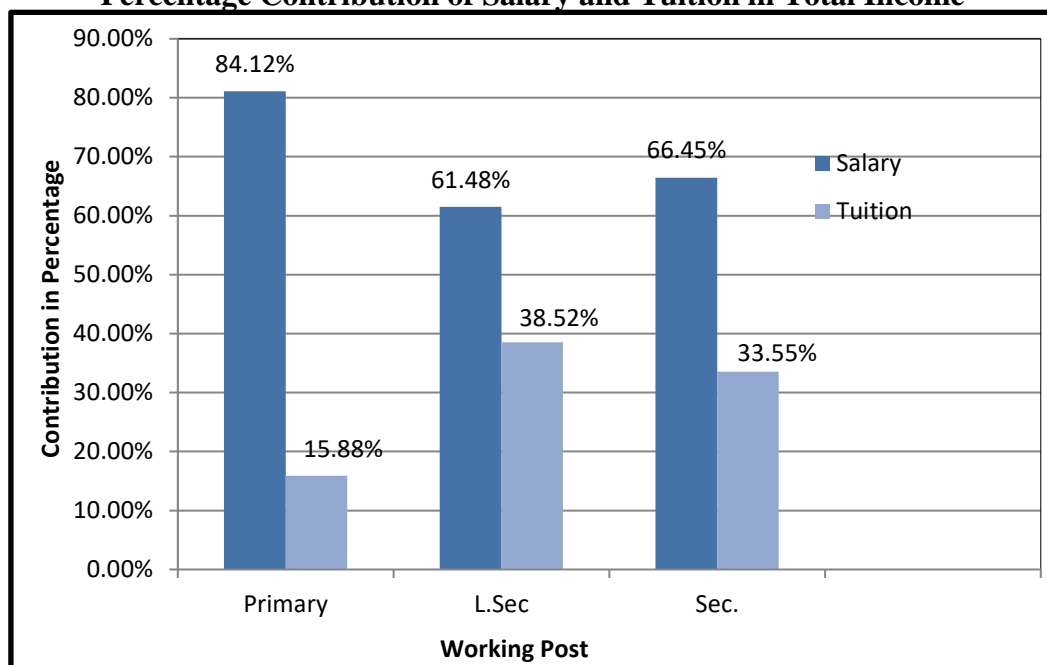
#### **d) Contribution of Salary and Tuition in Total Income**

The study already obtained that 56.66% of PST take tuition and its contribution on total income is one-third. The bar graph presented in the Figure 4.5 gives detail information about the contribution of salary and tuition in total income of PST working in different post.

The graph exhibits that the greatest contribution of salary in total income of PST is 84.12 % in primary level. The contribution of salary decreases in L.sec level with 61.48 % but again it increases with 66.45% in secondary level. The graph makes clear that percentage of tuition fees out of total income in L.sec level is more than in secondary level although percentage of TTT in L.sec is less than that in Sec level as shown in Figure 4.4. Its contribution is 38.52% in lower secondary level but at the same time it is 33.55% in secondary level. It can be noticed that contribution of salary in total income steeply decreases from 84.12% to 61.48% as the post upgraded from primary to L.sec.

Analyzing the bar graph it can be said that although 56.66% of teachers are engaged in tuition, percentage contribution of salary in total income is more than tuition fees in every working level or post.

**Figure: 4.5**  
**Percentage Contribution of Salary and Tuition in Total Income**



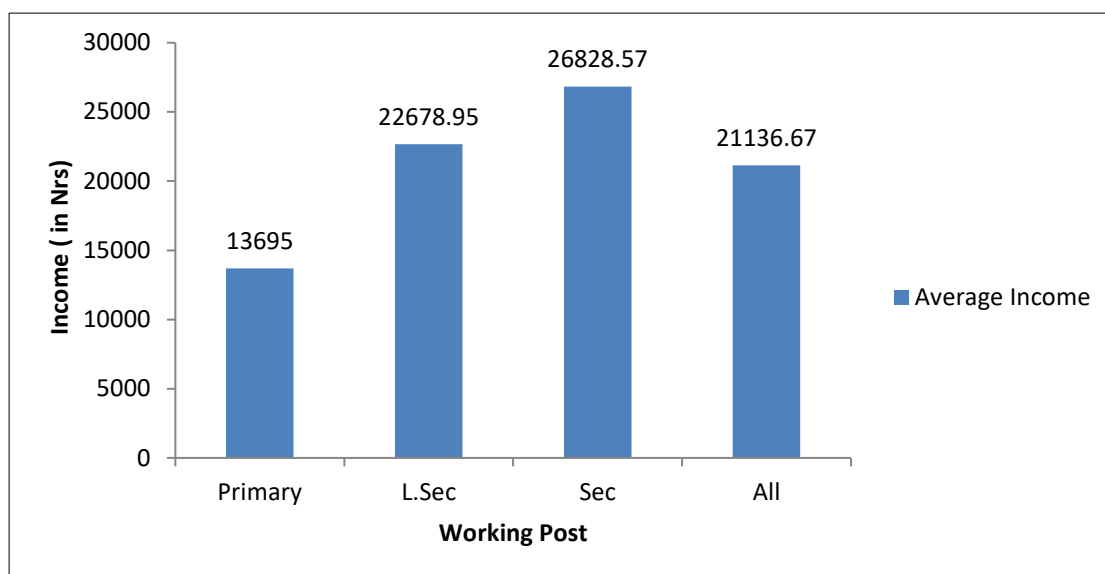
Source: Table 4.10, 2015

#### e) Average Monthly Salary in Different Level

The bar given below shows the average income of teachers in different post which makes the comparison easier among them. Figure 4.6 gives the information about average monthly income of PST working in different working post or level. The bar graph exhibits that Sec. level teachers has highest average income (Rs. 26,828.57) which is 1.95 times of the least average income of primary teacher (Rs. 13,695). The bar graph shows the trend, as the post upgraded in private schools average income also increases.

NLSS III has found Rs. 41,659 per capita nominal income per year. The graph shows overall, the average monthly income of PST is Rs.21,136.67. As the study has compared among these two averages, monthly income of private teachers is much better than national average. The reason behind it may be that the teachers in private schools do not have only the salary to fulfill their needs but tuition is another additional source to support their livelihood.

**Figure: 4.6**  
**Average Monthly Income by Post (in NRs)**



Source:Table 4.10, 2015

**f) Distribution of SHT and TTT by Income Groups**

In the study, PST has been categorized as SHT and TTT by their sources of income tuition and salary. They can be further classified by income groups. The study analyzed 16 different income groups and the respective numbers of PST in each group. Table 4.11 shows the classification of PST by different income groups. The table shows the vast difference in earning among PST. The table makes possible to make comparative study on income of SHT and TTT The least income group of SHT is Rs. 4000-8000 and maximum is Rs.20000-24000 but the least income group of TTT is Rs. 8000-12000 and maximum is Rs.64000-68000. Out of 60 PST only 2 who are TTT earn more than Rs.50,000 in a month.

The table shows out of 60 PST, lower 6.67 % earn less than Rs.8000 per month where as higher 10% teacher earns more than Rs.40,000 in a month. Comparing with average income Rs. 21,136.67 of PST in study area more than 50% (51.67%) of PST earns less than average income. only 10% have monthly earning more than Rs. 40000. Most of the PST had income Rs.12000-16000 per month; they are 16.67% of sampled PST. This class is followed by the income group of Rs.8000-12000 that is 15%. Similarly, highest number of TTT i.e 7 out 34 earn between Rs. 20000-24000 in a month , the group is followed by Rs.24000-28000 with frequency 6.

**Table: 4.11**  
**Distribution of PST by Income Groups**

<b>Income/Month (in NRs )</b>	<b>No. of SHT</b>	<b>No. of TTT</b>	<b>Total No. of PST</b>	<b>Cum. No. of PST</b>	<b>Cum. Percentage</b>
4000- 8000	4		4	4	6.67
8000-12000	8	2	10	14	23.33
12000-16000	8	2	10	24	40.00
16000-20000	4	3	7	31	51.67
20000- 24000	2	7	9	40	66.67
24000-28000	0	6	6	46	76.67
28000-32000	0	4	4	50	83.33
32000-36000	0	2	2	52	86.67
36000-40000	0	2	2	54	90.00
40000-44000	0	3	3	57	95.00
44000-48000	0	1	1	58	96.67
48000-52000	0	0	0	58	96.67
52000-56000	0	1	1	59	98.33
56000-60000	0	0	0	59	98.33
60000-64000	0	0	0	59	98.33
64000- 68000	0	1	1	60	100.00

Source: Field Survey, 2015

**g) Comparative Study of Income by Income Source**

The study has compared among the income of SHT and TTT. Difference in income is seen in their average income too. Detail comparison is noticed through the Table 4.12

**Table: 4.12**  
**Comparative Study of Income by Source**

<b>Types of PST</b>	<b>SHT</b>	<b>TTT</b>		
	<b>Total Salary</b>	<b>Total Salary</b>	<b>Total Tuition fees</b>	<b>Income Salary +Tuition</b>
Income (in NRs.)	3,19,800	5,49,900	3,98,500	9,48,400
% Contribution in Total Income		57.98	42.02	
No. of Teachers	26	34		
Average Income (in NRs)	12,300	27,894.11		

Source: Field Survey, 2015

The Table 4.12 gives detail information about income of SHT and TTT. Total monthly earning of SHT teachers is Rs. 3, 19,800. Total income of TTT is obtained by sum of total earning through salary and tuition, which is Rs. 5,49,900 and Rs.3,98,500 respectively .Therefore, adding salary and tuition, the total income of TTT is Rs. 9,48,400, which is more than total income SHT. But the contribution of salary in total income of TTT is more than income from tuition. The contribution of tuition fee is 57.98 % and salary is 42.02%. This high contribution of tuition fees makes the average income of TTT Rs. 27,894.11 which is 2.25 times greater than average income of SHT.

**Table: 4.13**  
**Extreme Income Values**

Types of Teachers	SHT	TTT	
	Salary	Salary	Tuition
Max Monthly Income(in NRs)	20,000	37,000	35,000
Level in School	Sec.	Sec.	Sec.
Min Monthly Income(in NRs)	5,000	4,000	2,500
Level in School	Primary	L.Sec	Sec/Primary

Source: Field Survey, 2015

Table 4.13 gives detail about maximum and minimum income earning by SHT and TTT. Maximum salary earned by TTT is Rs. 37,000 which is 1.85 times of salary received by SHT (Rs. 20,000). But minimum salary earned by SHT teacher is Rs.5,000 which is just 1.25 of minimum salary of TTT (Rs.4,000). It is noticeable that the entire maximum earning (salary & tuition) is from Sec. Level. The table shows that there is wide variation of tuition fees. Maximum tuition fee Rs. 35,000 is earned by Sec level TTT and which is 14 times more than the minimum tuition fees as shown by the table. This shows that there is no uniformity in tuition fee in terms of level or post in school.

#### **h) Sources of Income of PST Family**

The sources of income of any group show the involvement of the group members in different economic activities. Analyzing the sources of income of that group gives us information about entrepreneur skill, business skill and other potentiality in the members of that group.

The study takes into account of major five sources of family of PST. The level of income of HH of PST depends upon salary, rent of house trade and business industry and other miscellaneous like interest, share etc.

**Table: 4.14**  
**Income Sources of PST Family Members**

Sources of Income	Total Monthly Income (in NRs. )	In percentage
Salary	17,80,367	66.84
Rent	1,58,000	5.93
Trade	4,83,200	18.14
Industry	1,22,000	4.58
Others (Interest/ Share)	1,20,000	4.51
Total	26,63,567	100

Source: Field Survey, 2015

Table 4.14 gives the information about the contribution of different sources on HH income. The table shows that the total income earned from different sources of income is Rs.2,66,567. Accordingly, average family income is Rs. 44392.78. Contribution of salary in total income of HH is highest among all, and that is 66.84%. It shows that family members of PST prefer service sector than other economic activity. Beside service, trade is second highest source of income whose contribution is 18.14% in total income. It is 3.68 times smaller than contribution from salary. Industry covers only 4.58% of total income. It is about 15 times smaller than income from salary. The data shows that there is less entrepreneur skill among family members of PST. Similarly, rent also has negligible contribution in total income that is 5.93%

#### **i) Distribution of PST Family by Income Groups**

Income distribution of any group shows the income standard of that group. It magnifies the disparity in income. As well as it gives information about maximum income and minimum income earned. PST family is distributed among 10 income groups.

Table 4.15 shows income distribution of PST families. According to the table lowest monthly income group is Rs.0- 15000 and highest income group is Rs. 135000-150000. The table shows that most of the family earns between Rs.45000-60000. This

income group has highest frequency 13. It is followed by two income groups they are Rs. 27500-32500 and Rs.62500-67500 with frequency of 7 each. Similarly, there are 5 families whose earning is between Rs.42500-47500 and Rs.77500-82500. Comparing with Table 4.14 out of 60 there are 16 PST families have income less than average (Rs.44,392.78)

**Table: 4.15**  
**Distribution of PST Family by Income Groups**

<b>Monthly Income</b>	<b>No. of HH</b>	<b>Cum. No. of HH</b>
0- 15000	1	1
15000- 30000	4	5
30000- 45000	11	16
45000- 60000	13	29
60000- 75000	11	40
75000-90000	10	50
90000-105000	5	55
105000- 120000	1	56
102000- 135000	1	57
135000- 150000	3	60

Source: Field Survey, 2015

#### **j)Disparity in Income of PST and Their Family**

Economic inequality is also described as the gap between rich and poor. Income inequality, typically refers to inequality among individuals and groups within a society or within the occupation.. Increasing inequality harms economic growth. Higher income inequality led to less of all forms of social, cultural, and civic participation among the less wealthy high and persistent unemployment, in which inequality increases, has a negative effect on subsequent long-run economic growth. Unemployment can harm growth not only because it is a waste of resources, but also because it generates redistributive pressures and subsequent distortions, drives people to poverty.

Income inequality within a society can be measured by various methods, including the Lorenz curve and the Gini coefficient. The study has formed the deciles group, observed Lorenz curve and Gini coefficient to show income inequality among PST and among family too.



### D)Income Deciles Group of PST

Deciles are a simple way to measure inequality. The deciles show how income is distributed, how much of the total income in a study area is earned by lower income earning groups and how much of the total income is earned by higher earning income groups. If the people in the top and bottom groups earn the same proportion of the income, then there is income equality. If the top groups earn a much higher percent of the total income, while people in the bottom groups earn much lower percent of the total income, then there is inequality.

**Table: 4.16**  
**Income Deciles Group of PST**

<b>Deciles Group</b>	<b>% of PST</b>	<b>Share in Monthly Income (NRs.)</b>	<b>Cum. Income</b>	<b>Cum Percent</b>
Lowest(First)	10	41,400	41,400	3.27
Second	20	52,400	98,300	7.40
Third	30	70,500	1,64,300	12.95
Fourth	40	89,400	2,53,700	20.00
Fifth	50	1,05,500	3,59,200	28.32
Sixth	60	1,19,000	4,78,200	37.71
Seventh	70	1,40,000	6,18,200	48.74
Eighth	80	1,63,000	7,81,200	61.60
Ninth	90	2,00,000	9,81,200	77.37
Highest(Tenth)	100	2,87,000	12,68,200	100.00

Source: Field Survey, 2015

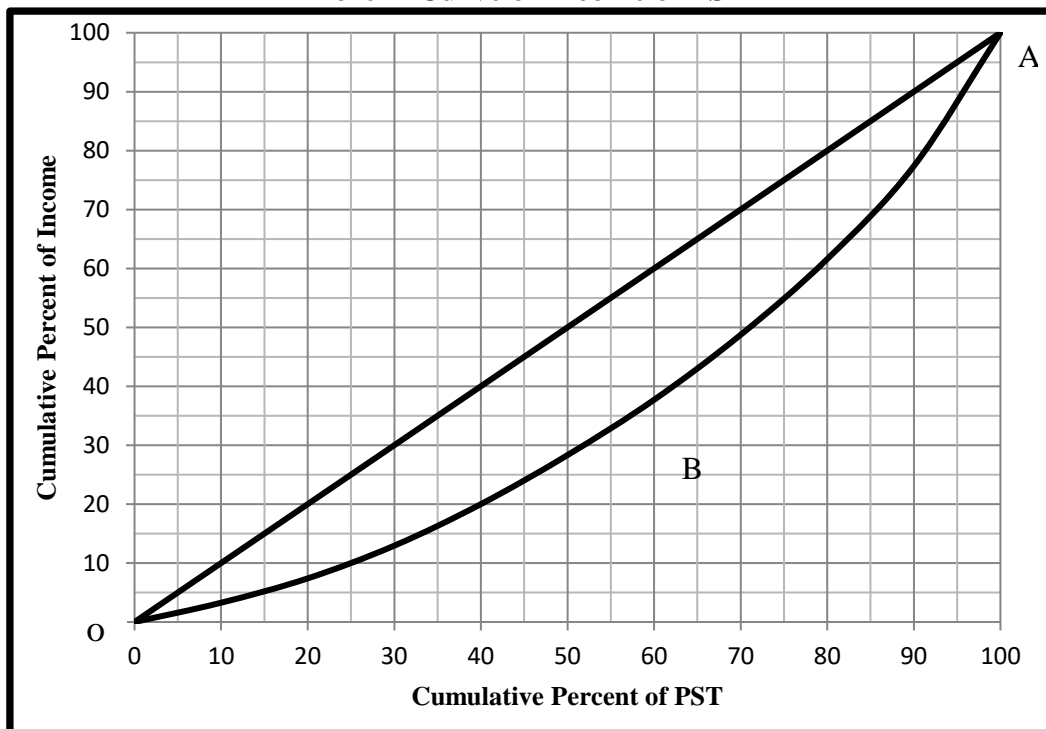
The Table 4.16 shows the deciles group for income (salary +tuition) received by PST. The table makes clear that lowest 10% of income group earns only 3.27% of total income whereas; top 10% of income group earns 22.63% of total income. Therefore, highest 10% earns 2.10 times of lower 10 % of PST. Similarly, lowest 50% of PST earns only 28.32% of total income and higher 50% earns remaining 71.68% of total income. It shows high disparity of income earning of PST. But the disparity in income of PST seems to be less than in national level where, lowest 10% of income group has the share of 1.5% and top 10% of highest income group earns 39.5% of total nominal per capita income.

## II) Derivation of Lorenz Curve

Lorenz curve is a widely used technique to represent and analyze the size distribution of income, wealth as well as many other magnitudes. The curve, plots the cumulative portion of income units and the cumulative proportion of income received when income units are arranged in progressive order of their income.

To show disparity in income of PST, the cumulative percentage of income against their number of PST is plotted as shown in the Figure 4.7. In the graph the cumulative percentage of income is plotted on vertical axis and cumulative percentage of number of PST is plotted on horizontal axis. The  $45^{\circ}$  line OA shows the line of perfect equality. Lorenz curve lies below the line of equality and move upward from left to right.

**Figure 4.7**  
**Lorenz Curve of Income of PST**



Source: Table 4.16, 2015

In the figure 4.7, OBA is the Lorenz curve for the income of PST. The curve does not coincide with the perfect equality line OA. The distance, between the line of perfect equality OA and Lorenz curve OBA increases as the cumulative percentage of income increases. Therefore, the distance shows the inequality between incomes of PST.

### III) Computation of Gini-Coefficient

Gini statistics is the most common overall indicator of income inequality. It is one of the mathematical tools to show the disparity in income. It shows the degree of inequality in distribution in income. It can be analyzed through Lorenz curve too. The closure the Lorenz curve with the line of equality, lower will be the Gini ratio. More the Gini coefficient more will be the disparity in income and vice versa.

**Table: 4.17**  
**Cumulative Percentage of Income and Number of PST**

Cum. % of PST(X <sub>i</sub> )	Cum % of Income(Y)	X <sub>i</sub> Y <sub>i+1</sub>	X <sub>i+1</sub> Y <sub>i</sub>
10	3.27		65.4
20	7.40	74.0	222.0
30	12.95	259.0	518.0
40	20.00	600.0	100.0
50	28.32	1132.8	1699.2
60	37.71	1885.5	2639.7
70	48.74	2924.4	3899.2
80	61.60	4312.0	5544.0
90	77.37	6189.6	7737.0
100	100.00	9000.0	
Total		26377.3	22359.1

Source : Table 4.16, 2015

$$\begin{aligned} \text{Gini coefficient} &= \frac{|\sum X_i Y_{i+1} - \sum X_{i+1} Y_i|}{100} \text{Percent} \\ &= \frac{1}{100} [26377.3 - 22359.1] \text{percentage} \end{aligned}$$

Therefore, G.C = 40.182 percentage

The Gini coefficient of income of PST is 40.18% i.e.; 0.4018. Actually there are various influencing factors of income of PST. The G.C ratio shows the high disparity among the income of PST since the study is limited with the post and education of PST. But work experience, grade of school, teacher's efficiency, bargaining power for salary, etc is other influencing factors of income of PST.

### IV) Income Deciles Groups of P ST Families

The Table 4.18 shows the deciles groups of HH income. Total family income is obtained by sum of income of PST and income of other family members. Accordingly the average income of PST family is Rs.51951.1. Thus obtained HH income is divided into 10 groups in ascending order. Each groups show the percentage of total

income they earned. The table shows that lowest income 10% of HH earns about 3.72% of total income and highest 10% of total population earns 19.87% Similarly, bottom 80% of the total HH earn 64.91% of total income while top 20% of earn 35.08% of total income.

**Table: 4.18**  
**Income Deciles Group of PST Family**

<b>Deciles Groups</b>	<b>% of PST HH</b>	<b>Share in Total Monthly Income (NRs.)</b>	<b>Share in %</b>	<b>Cum. %</b>
Lowest(first)	10	1,15,833	3.72	3.72
Second	20	1,50,200	4.82	8.54
Third	30	1,72,500	5.53	14.07
Fourth	40	2,06,300	6.62	20.69
Fifth	50	2,57,900	8.27	28.96
Sixth	60	3,14,333	10.08	39.04
Seventh	70	3,89,000	12.48	51.52
Eighth	80	4,17,500	13.39	64.91
Ninth	90	4,74,000	15.21	80.12
Highest(Tenth)	100	6,19,500	19.88	100.00
Total		3,11,7066	100.00	
Average Income		51,951.1		

Source: Field Survey, 2015

### **4.3 Role of Educational Status on Income of Private School Teachers**

In our country community schools teachers are generally paid according to government paid system. But private schools do not have uniform rules regarding to paying scale for teachers. The analysis below shows the role of education status with income of PST.

#### **a) Income Analysis of PST by Qualification**

We know that average is the single value that describes the characteristics of entire group. It facilitates comparison between two and more parameters. The average incomes of PST with four different academic qualifications make the comparison possible between among them and with national scenario too.

The table 4.19 shows the total income and average income by qualification of PST. The table shows the relation of both salary income and total income (sum of salary

and tuition) of PST with their Academic Qualification. The table depicts average salary and average total incomes of PST are increasing gradually according to academic qualification. Average monthly salary per month of PST, holding qualification of 10+2, Diploma, Master and M. Phil is Rs.6,867, Rs.13,421, Rs.15,850 and Rs.17,166 and respectively. Similarly, the Average Total Income of PST is Rs. 6,867, Rs.2,054, Rs.22,333, and Rs.30,500 with qualification of 10+2, Diploma, Master and M. Phil respectively. The table shows 5% of lower qualification holder i.e., 10+2 PST holds only 2.4% of total salary and 2% of total income. But 5% of higher qualification M. Phil holder covers 6% of Salary and 7% of total income; it is three time higher income than of least qualification holder PST.

Generally with high degree of academic qualification PST can work as higher level teacher. From above observation it seems that tuition is common in higher level of education in school than in lower level. Tuition fees help to raise the average income of PST with higher qualification. Therefore, it can be observed that there is positive and direct relation between academic qualifications and income of PST.

**Table: 4.19**  
**Qualification of PST**

Qualification	No of PST	Percent	Income per Month (in NRs.)					
			Total Salary	Percent	Average Salary	Total Income (S+T)	Percent	Average Income (S+T)
10+2	3	5	20,600	2.4	6,867	20,600	2	6,867
Diploma	24	40	3,22,100	37.0	13,421	4,86,100	38	20,254
Masters	30	50	47,5,500	54.6	15,850	6,70,000	53	22,333
M. Phil	3	5	51,500	6.0	17,166	91,500	7	30,500
Total	60	100	8,69,700	100.0	14,495	12,68,200	100	21,137

Source: Field Survey, 2015

**b) Gender wise Analysis of Relation between Qualification and Income**

Gender wise analysis of income in PST reflects the magnitude of gender disparity exists in academic field. The study had made income analysis of PST by qualification.

able 4.20 shows total income and average income of male and female PST with 4 different qualifications.

**Table: 4.20**  
**Gender wise Analysis of Relation between Qualification and Income**

Academic Qualification	10+2		Diploma		Master		M. Phil	
	M	F	M	F	M	F	M	F
Total. Monthly Income (in NRs)	0	20,600	3,16,400	1,69,700	5,20,000	1,50,000	91,500	0
No. of PST	0	3	13	11	20	10	3	0
Average Monthly Income	0	6,866.67	24,338.46	15,427.27	26,000	15,000	30,500	0

Source: Field Survey, 2015

Table 4.16 shows the number of male and female members of PST in all four academic groups, along with their total income and average monthly income. The table clarify that earning of female is less than male in every academic groups. Among all female PST with academic qualification 10+2 earn the least i:e only Rs. 6,866.67 and male member of M. Phil academic qualification group has highest average income i:e Rs. 30,500. Average monthly income of both male and female members goes on increasing as the academic qualification upgraded. But every group of academic qualification has male members with more total income and average income than female group.

### c) Salary Structure by Qualification

In every career qualification is the main variable of scale of earning. Importance of qualification in education sector is beyond explanation. Government has fixed minimum academic qualification required for different post of teachers. Minimum qualification for primary teacher is S.L.C passed, 10+2 for L.sec and diploma for Sec. Level. People with master and above can teach 10+2 and up to university. Private sectors are also supposed to follow the rule imposed by the government.

Table 4.21 shows the relation between salary paid to PST by the private schools and their academic qualifications. The income group Rs.0-5000 is the least salary received by PST who is diploma passed. But other graduate PST are receiving different amount

of salary. With same academic qualification 1 PST is earning between Rs 30000-35000. Therefore, the salary received by graduate PST ranges from Rs. 0-5000 to Rs.30000 -35000

Similarly, most of master degree holder received Rs. 15000- 20000 as salary. Out of 30, 14 PST degree holder teachers get salary between 15000- 20000 One master holder teacher obtains the highest salary Rs 35000-40000 Therefore, the salary obtained by master holder PST varies by Rs 5000- 10000 to 35000-40000. Even 3, PST with qualification M. Phil obtained 3 different income groups as salary and the obtained salary is less than the salary of Diploma holder. Out of four academic groups 10+2 group seems to be consistency in terms of receiving salary. All three members of this group obtained salary between Rs.5000-10000

Although the above Table 4.19 shows is positive relation between Academic Qualification and Income of PST but there is no uniformity in receiving salary in private school. Generally, private school paid salary according to its own rules. Due to growing unemployment problem along with over supply of human resource in private sector, PST are not found to be paid as much as they deserve for their qualification.

**Table: 4.21**  
**Level of Salary and Academic Qualification**

Salary (in NRs.)	Qualification				Total
	10+2	Diploma	Master	M. Phil	
0-5000	0	1		0	1
5000-10000	3	5	3	0	11
10000-15000	0	7	6	1	14
15000-20000	0	9	14	1	24
20000-25000	0	1	6	0	7
25000-30000	0	0	0	1	1
30000-35000	0	1	0	0	1
35000-40000	0	0	1	0	1
Total	3	24	30	3	60

Source: Field Survey, 2015

#### **4.4 Role of working Level on Salary of Private School Teachers**

Level or post in school teaching is generally categorized in 3 groups. Nepal government has declare that the teachers teaching up to grade 5 is primary, grade 6 to 8 is lower secondary , grade 9 and 10 is secondary in school education. The post or

level in private school is also determined according to class assigned for the teacher to teach.

**a) Distribution of PST by Level**

Post or the level of teachers in private schools is determined as in community school. Generally, private schools seek to meet the minimum qualification needed for the post as in government school but there is not any fixed rule for gender distribution in different post.

**Table: 4.22  
Gender Distribution of PST in Different Level**

Level	No. of Teachers			Involvement in Percentage		
	Female	Male	Total	Female (in %)	Male (in %)	Total
Sec	3	18	21	14.29	85.71	100
L.sec	5	14	19	26.32	73.68	100
Primary	16	4	20	80.00	20.00	100
Total	24	36	60			

Source: Field Survey, 2015

Table 4.22 shows the involvement of male and female teachers in different level. Out of total sampled 21 PST from Sec. Level, 85.71% are of male and only 14.29 % are female. Even in lower secondary level percent of male teacher is 73.68 where as involvement of female is only 26.31%.

The findings are just match with the figure of enrollment of teachers in different post in its CBS (2009) statistical pocket book. According to this pocket book there are 40259 L.sec teachers in total with 30321 (75.31%) male and 9938 (24.69%) female respectively. Similarly, there are 29109 total numbers of teachers working in secondary level out of which 24581 (84.44%) male and 4528 (15.56%) are female. On the contrary, enrollment in primary level shows contradictory finding. In study area out of total 20 primary teachers 80% are female and 20 % are male teachers. The pocket book shows that male numbers exceed female in primary level too. 1,53,536 total number of teachers in primary level is comprising of 60,826 female and 92,710 male.



Out of total sample among male, 50% are working as secondary level teacher and 11.11 % are primary teachers. On the contrary, only 12.5% of female teachers are working in secondary level and 66.67 % of them are primary level teachers.

Therefore, the table shows that there is less involvement of female teachers in higher post than male in private school. Unbroken exposure to the profession and the higher level of education have played role in it.

### **b) Salary and Working Post**

It is well known that there is interrelation between the salary and the post of employee in any organization. As in other field salary of PST also differs by their post or the level they work for. As private schools are also one of the components of education sector of the country, their paying scale should be similar to community schools. The recent government provision of salary for its employee is as follows: minimum salary paid to primary, lower secondary, secondary level government employees is (Rs.13,840), (RS.19,130) and (Rs.24,580) respectively. Since the study is about the private sector, the magnitude of relation between these factors and salary may be differ from the study of community schools.

**Table: 4.23**  
**Amount of Salary and Working Post**

Monthly Salary (in NRs.)	No. of PST				Percentage
	Primary	L. Sec	Sec.	Total	
0-5000	0	1	0	1	1.66
5000-10000	8	2	1	11	18.33
10000-15000	4	5	5	14	23.33
15000-20000	7	10	7	24	40.00
20000-25000	1	1	5	7	11.66
25000-30000	0	0	1	1	1.66
30000-35000	0	0	1	1	1.66
35000-40000	0	0	1	1	1.66
Total	20	19	21	60	100.00

Source: Field Survey, 2015

Salary structure paid to PST can be clear through the Table 4.19. The table shows wide variation in salary paid to PST on the basis of post and reveals that salary received by some of the teachers is more than government scale and some are getting less than minimum amount they should be paid. The minimum salary Rs.5,000 is

earned by L.sec teacher but other L.sec teachers earn more than this. According to government provision salary of L.sec teacher is Rs. 19,130. The study finds salary of L.sec teachers in private schools ranges from Rs 0-5000 to Rs. 20000- 25000. Similarly, salary of primary level teachers starts from the income group Rs. 5000-10000 and ends at Rs.20000- 25000. Variation in salary of Sec. Level teachers seems to be most than in two other posts. The salary received ranges from Rs.5000 -10000 to Rs.35000-40000. Most of Sec. Level teachers' earning is between Rs.15000- 20000. Over all, this income group is the group with highest frequency. That is 40% of teachers earn between Rs.15000-20000. Maximum salary paid to PST is secondary level teacher and it is between Rs. 35000- 40000.Three consecutive highest salary groups are Rs.25000-30000, Rs.30000-35000 and Rs.35000-40000. All these three consecutive highest salary is received only by secondary teacher, with frequency 1.

Actually, these schools are legally obliged to pay salary according to government rule. But monitoring from government is not effective in regarding to various aspect of private school. Salary scale is one of the sectors which are left behind the monitoring from the government level, so the salary is not paid according to the agreement with government. Therefore, the salary paid to private sector is less than the salary paid to government employees. Moreover, post, qualification, job experience, exposure for job etc are the different determinant of salary scale in private schools.

#### **4.5 Consumption Pattern of Private Schools' Teachers' Family**

Consumption is one of the major components in economics. consumption in any economy depends upon the its culture ,living standard of people , consumption behavior of the neighbour, magnitude of demonstration effect in the society etc. It is widely used monetary indicator of well being in terms of meeting current basic necessities, family's ability to smooth out income fluctuation.

##### **a) Composition of Consumption**

The composition of consumption reflects income standard, overall habit or the trend of expenditure of the society, saving habit social customs of the population we studied. The study about the consumption pattern of PST reflects the consumption pattern of educated citizen of Nepal. As in other national researches, expenditure on food items and non-food items are the major component of the consumption in this study too.

**Table: 4.24**  
**Composition of Family Expenditure (per Month)**

Items	Food	Non- food	Total	Average
Amount (in NRs)	6,32,789	13,73,702	20,06,500	33,441.67
Percentage	31.54	68.46	100	

Source: Field Survey, 2015

Table 4.24 shows the total consumption expenditure per month is Rs. 20,06,500 with Average HH consumption of Rs.33,441.67. The Average HH income of PST family is Rs.51, 951.1. Therefore, PST family spend 64.37% of income and rest 35.63% is saved. The table shows that expenditure on food is just half of expenditure on non food items. Out of total expenditure, 68.46% is covered by non food item and only 31.54% is covered by food item. The result seems to be opposite with National figure where the consumption. At national level on average, 62 percent of HH consumption is spent on food and only 38% on non-food items.

As Most of teachers working in Kathmandu is not permanent residence of the city. Generally, people working in Kathmandu use to bring self produced food grains and pulses from their home town so they have to spend less on food item. The food item seems to cover less proportion than the percentage on non-food item out of total expenditure. So, actual consumption on food items may be greater than the table revealed.

#### **b) Composition on Food Items**

Composition of food items of any group reflects its economic status, culture, nutrition level as well as social status etc. Since it is the case study of teachers working in urban city (Kathmandu), the composition may reflect the culture, nutrition level and economic standard etc of the people in academic field. It is the sum of expenses on the various types of food consumed .The study has categories food items in five groups and they are food grain, vegetable and milk food, non- veg items, cigarettes & alcoholic beverage and readymade food& others.

According to table 4.25 total expenditure on nonfood item is Rs. 632798, which is the sum of the expenditure on five items food grain ,vegetable and milk food ,non veg item, cigarette and beverage and readymade food& others. Accordingly average expenditure on food item is Rs.10546.63. The table explains that among five items the highest expenditure goes on food and cereal. It covers 32.68% of total food

consumption. The second highest consumption is on vegetable and milk food which takes 28.76%. PST family spend equivalent amount for non veg item and for other readymade food. These items cover, 17.09% and 17.19% respectively. The least consumption is for cigarette and beverage with only 4.27% of total food consumption. It seems that cigarette and beverage is least popular among the employees with academic background.

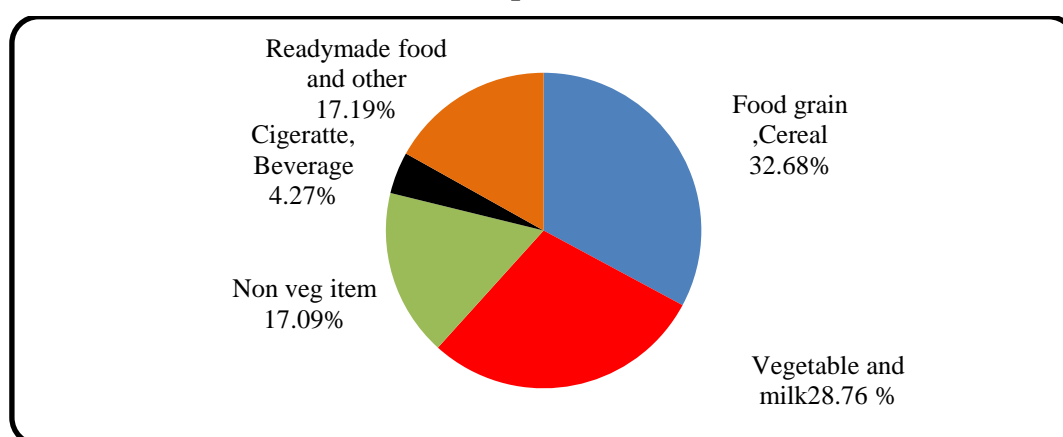
**Table 4.25**  
**Percentage Distribution of Expenditure on Food Items**

S.N	Particulars	Expenditure (in NRs.)	In %
1	Food grain, Cereal	2,06,782	32.68
2	Vegetable and Milk food	1,82,000	28.76
3	Non veg item	1,08,166	17.09
4	Cigarette, Alcoholic Beverage	27,050	4.27
5	Readymade food and others	1,08,800	17.19
	Total Expenditure	6,32,798	100.00
	Average HH expenditure	10,546.63	

Source: Field Survey, 2015

Percentage distribution on food items can be clearly with pie chart in Figure 4.8

**Figure: 4.8**  
**Pie Chart of HH Expenditure on Food Items**



Source: Table 4.25, 2015

### c) Composition of Non-food Items

Consumption pattern of non food item in Kathmandu highly differ from other cities of Nepal. Eight major particulars are taken into account on the heading of non –food items in the analysis of consumption pattern and they are as follows: education, medicine, transportation, clothing, communication, rent, entertainment, cultural, festival expenses.

**Table 4.26**  
**Monthly Expenditure on Non- Food Items**

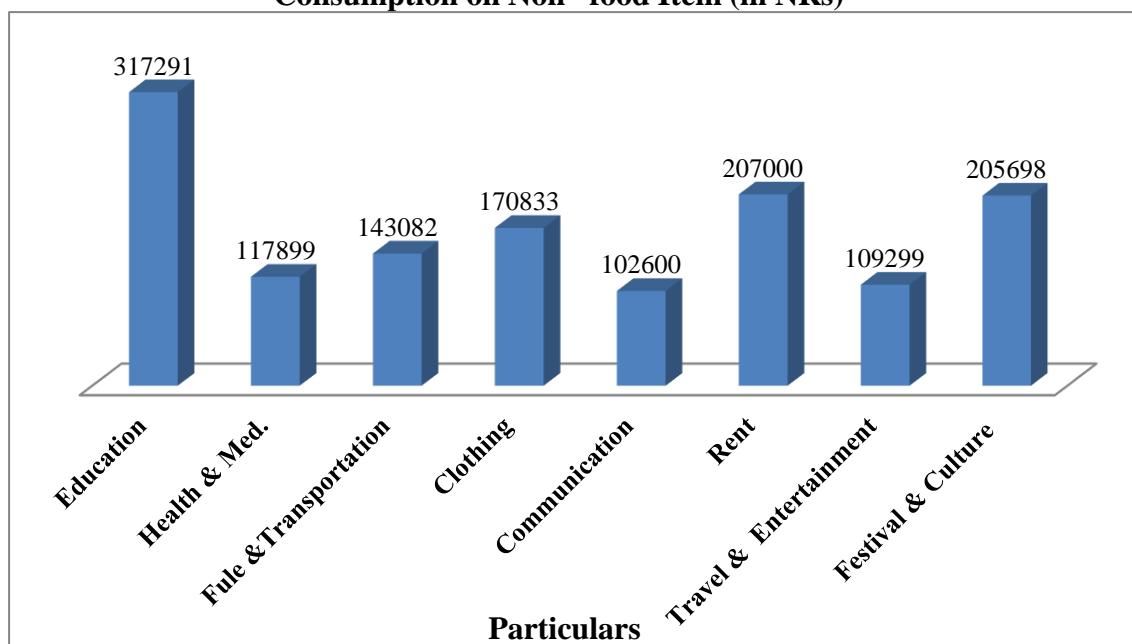
S.N	Particular	Exp.(NRs.)	Percentage on Non -food
1	Education	3,17,291	23.10
2	Health and Med	1,17,899	8.58
3	Fuel &Transport	1,43,082	10.42
4	Clothing	1,70,833	12.44
5	Communication	1,02,600	7.47
6	Rent	2,07,000	15.07
7	Travel &Entertainment	1,09,299	7.96
8	Festival &Culture	2,05,698	14.97
	Total	13,73,702	100.00

Source: Field Survey, 2015

The Table 4.26 shows that monthly average expenditure on non food item is Rs. 22,213.78. Through the table it is clear that 23.10% of total non-food expenditure is covered by education and which is highest among all non-food items. The expenditure is 15.81% of total consumption of PST family. Expenditure on education at national level is just 5 percent of total nominal consumption in 2010/11(CBS, NLSSIII) and it is one third of expenditure of PST family. In general we can say that the PST family invests more on education than in national average. The tough competition to exposure for the job makes the family to investment more on education. Second most expenditure is for rent which comprise of 15.07% of total. According to the Census 2011, in urban areas 40.22 percent of total population lives in rented house. Kathmandu has the highest percentage (58.65) of HHs living in rented house. Overcrowd in Kathmandu brings a high increase in rent make the non-residence of Kathmandu to spent more in rent than other items.

As Nepalese are very rich in the culture, it is said that Nepali celebrates festival throughout the year. So expenditure on rent is followed by festival and cultural expenses which cover 14.97% of total non- food expenditure. Demonstration effect in the society has greater influence on expenses on festival and cultural programmes. Fourth higher expenditure of PST family is covered by clothing which is followed by Fuel and transportation, Health and medicine. The expenditure on clothing covers 12.02% whereas fuel& transportation and health cover just 10.34 and 5.58% respectively. The table shows that PST spend more on clothing than on fuel, transport and health & medicine. The least two expenditure goes for Travel & Entertainment and Communication. These two items cover 7.96 %and 7.43% respectively. The expenditures on non-food items are shown in bar diagram, Figure 4.9

**Figure: 4.9**  
**Consumption on Non –food Item (in NRs)**



Source: Table 4.26, 2015

**d) Percentage Distribution of Total Consumption on Food and Non -food Items**

It is very interesting to analyze the distribution pattern of consumption on various items that are related with the group. The distribution pattern of consumption depicts the preference of that group. The research has taken altogether 13 different foods and non- food items that is consumed by PST family. Table 4.27 shows the percentage distribution of total consumption on these various food and non-food item.

Analyzing the Table 4.27 it can be observed that academic families of PST allocate highest percentage of total consumption on education which covers 15.81% and least to Cigarettes &Alcoholic Beverage. It just covers 1.35% of total consumption expenditure. Therefore, PST families invest 11.7 times more on education than in Cigarettes &Alcoholic Beverage.

It shows the group in academic field has less preference on alcoholic items. Expenses on rent, food grains and festival are the second preference of PST families and seem to be equal. PST families allocate 10.31%, 10.32% and 10.25% respectively for these items.

Similarly, the expenditure on vegetable and milk items is 6.71 times of Cigarettes &Alcoholic Beverage and non-veg item 3.99 times of it. Such composition of meal makes the PST families to invest just 5.88% on health and medicine. The second least expenditure is for communication which covers just 5.11% of total consumption. Although communication is very essential aspect of the society (especially for teachers)in urban area and it is very common, up growing communication facilities in reasonable price in market makes PST families not to spend more on this item.

**Table: 4.27**  
**Percentage Distribution of Total Consumption on Food and Non -food Items**

<b>Food Items</b>	<b>% on Total Consumption</b>	<b>Non Food Items</b>	<b>% on Total Consumption</b>
Food grain, Cereal	10.31	Education	15.81
Veg & Milk Items	9.07	Health & Medicine	5.88
Non.Veg Items	5.39	Fuel& Transportation	7.13
Cigarettes &Alcoholic Beverage	1.35	Clothing	8.51
Readymade Foods &Other	5.42	Communication	5.11
		Rent	10.32
		Travel and Entertainment	5.45
		Festival & Culture	10.25
Total	31.54		68.46

Source: Field Survey, 2015

#### **e)Relation between HH Size and Consumption**

Like income, the consumption of a family is also affected by various factors .Among these various factors HH size is the most influencing factor. As mentioned above the study finds 8 different HH size in PST family. Similarly, the study has included 8

different subheadings under non food consumption and 5 different items on subheading food consumption.

#### **D)Percentage Distribution of Expenditure on Food Items by HH Size**

Table 4.28 shows the percentage distribution of food expenditure in the family with different HH size. It can be analyzed that every family has the least expenditure on cigarette and alcoholic beverage than other expenses. Families with HH size 2, 4, 5 and 7 have highest consumption expenditure on food grains. Family with HH 3 allocate about equal amount to spend on food grains and vegetable & milk items. They are in the percentage of 33.98% and 34.99%. PST family gives equal importance to vegetable and milk food. Families with HH size 3, 8, 9 have veg and milk items as highest consumption expenditure. Out of these 3 families, family with HH size 8 and 9 has nil consumption on Cigarette, Alcoholic Beverage.

**Table: 4.28**  
**Percentage Distribution of Expenditure on Food Items by HH Size**

<b>HH size</b>	<b>HH No.</b>	<b>Food grain, Cereal</b>	<b>Vegetable &amp; Milk food</b>	<b>Non- veg Item</b>	<b>Cigarette, Alcoholic Beverage</b>	<b>Readymade Food &amp; Other</b>
2	4	40.19	20.71	11.08	9.74	18.27
3	20	33.98	34.99	11.27	4.33	15.43
4	12	33.80	27.89	21.83	2.65	13.83
5	17	30.10	24.03	18.37	4.69	22.81
6	3	20.70	23.74	31.96	6.09	17.50
7	2	44.67	27.30	15.38	4.96	7.69
8	1	23.81	47.62	19.05	0.00	9.52
9	1	27.59	37.93	13.79	0.00	20.69

Source: Field Survey, 2015

#### **II)Percentage Distribution of Consumption on Non- food Items by HH size**

Table 4.29 shows the percentage distribution of expenditure on these subheadings by 8 different HH sizes. The table shows percentage allocate by HH of different sizes on different non –food items. Comparing expenditures on different subheadings among the same HH size, the table shows that out of 8 different HH sizes 6 HH size allocates highest expenditure for education. Family with HH size 8 allocate equal amount for education for festival and culture. Therefore, except the family with HH size 4 and 9, other families spend highest percentage on education among all non–food expenditures. On the contrary, families with HH size 4 have maximum expenditure



for festival and culture expenses whereas HH with maximum family members (9) allocate 23.23% on clothing.

The family with HH size 3, 5, 6 has least expenditure on communication. Family with HH size 3 allocates 2.79 times more on education than the least expenditure on travel and clothing. Similarly, expenditure allocated for education is more than 3 times that of the least expenditure allocate for communication by the families with HH size 5 and 6. This is the evidence that proves the families from academic background give most important to education than other expenses.

**Table: 4.29**  
**Percentage Distribution of Expenditure on Non-food Items by HH Size**

HH size	HH No.	Edu.	Health Med	Fuel& Transport	Clothing	Communication	Rent	Travel Entertainment	Festival & Culture
2	4	23.49	9.27	11.12	7.42	9.77	22.25	7.42	9.27
3	20	19.81	7.63	9.07	15.54	7.09	13.8	8.57	18.49
4	12	17.76	6.72	11.03	10.65	7.77	15.86	8.66	21.54
5	17	29.03	10.81	9.56	11.26	7.60	12.39	7.65	11.70
6	3	22.84	9.93	16.09	12.41	5.96	14.9	8.94	8.94
7	2	30.11	5.38	11.83	6.45	6.45	23.66	6.45	9.68
8	1	31.25	9.38	6.25	9.38	12.5	0	0	31.25
9	1	9.68	7.74	11.61	23.23	7.74	20.65	6.97	12.39

Source: Field Survey, 2015

### **III) Distribution of PST Family by Average HH Expenditure and Per capita Expenditure**

HH expenditures defined as the sum of HH consumption expenditure and the non-food consumption expenditures of the HH. HH expenditure represents the total outlay that a HH has to make to satisfy its needs. The research has classified total 60 HH according to its HH size. To make comparison easier between the expenses of these families average HH expenditure is obtained. The average HH expenditure is representative value of expenses of respective HH size. Further per capita expenditure is obtained so that it gives true information about the expenses per family member. The Tables 4.30, 4.31 and 4.32 give information about HH of expenditure and per capita expenditure on different items (food, non –food).

In the table 4.30 PST families are distributed according to consumption by family size. Expenditure of family is divided into food and non food items. The table shows that the monthly average HH expenditure is Rs. 33,441.67 and average monthly per capita expenditure is Rs. 8,026. The table shows that 55% of sampled HH and 63.6 % of sampled population has per capita expenditure less than average per capita expenditure. The table gives brief data about the average HH expenditure and per capita expenditure of both foods, non food items. Per capita expenditure on food and non- food items is Rs.2,531.19 and Rs.5,494.80 respectively. 35 % of sampled HH and 44.4% of family members of PST has per capita food expenditure less than average per capita on food. That is 65% of HH and 55% of family members has more per capita expenses on food than 35 % of sampled HH and 44.4% of family members of PST.

On the contrary, 50% of HH and 43.6% of family members of PST spend more than average per capita non-food expenditure i:e Rs.5,494.808. On average expenditure on non –food items is more than double than that of food expenditure in PST family. PST family with 6 family members has highest share of non food on total HH expenditure i: e 75.4% on non-food and 24.6% on food items. It is the highest disparity on food and non food items. The lowest disparity is made by the family with 8 members in which family spends 60.38% on non-food and 39.62% on food items more than average per capita expenditure. Family with 9 members has highest HH average monthly expenditure which is Rs. 90,750. The table shows that average HH expenditure go on increasing as HH size increases. This is Rs.28,254, Rs.28,596, Rs.34,630, Rs.44,517, Rs.66,650, with HH size 3, 4, 5, 6 and 7. The table shows that family with 8 members has lowest HH expenditure among all. The family spends only Rs.26,500 because it has two items with expenditure zero. Apart from this there is positive relation with average HH expenditure and HH size.

**Table: 4.30**  
**Average per capita and HH Consumption of PST Family per Month**

<b>HH Size</b>	<b>No. of HH</b>	<b>Monthly Expenditure (inNRs)</b>	<b>Food Items</b>	<b>Non food Items</b>	<b>Total Expenditure</b>
2	4	Average HH Exp	10,263.00	20,225.00	30,487.50
		Average per capita Exp	5,131.25	10,112.50	15,244.00
3	20	Average HH Exp	8,149.00	20,106.00	28,254.00
		Average per capita Exp	2,716.00	6,702.00	9,418.00
4	12	Average HH Exp	10,996.00	17,600.00	28,596.00
		Average per capita Exp	2,749.00	4,400.00	7,149.00
5	17	Average HH Exp	10,650.00	23,980.00	34,630.00
		Average per capita Exp	2,130.00	4,796.00	6,926.00
6	3	Average HH Exp	10,950.00	33,567.00	44,517.00
		Average per capita Exp	1,825.00	5,594.50	7,419.5.00
7	2	Average HH Exp	20,150.00	46,500.00	66,650.00
		Average per capita Exp	2,878.57	6,642.86	9,521.00
8	1	Average HH Exp	10,500.00	16,000.00	26,500.00
		Average per capita Exp	1,312.50	2,000.00	3,312.50
9	1	Average HH Exp	32,625.00	58,125.00	90,750.00
		Average per capita Exp	3,625.00	6,458.33	10,083.33
Average HH Expenditure			10,546.63	22,895.03	33,441.67
Average per capita Exp			2531.19	5,494.80	8,026.00

Source: Field Survey, 2015

Table 4.31 shows the expenditure on two contrary food items (vegetable & milk food and cigarette) by families with different HH size. Average monthly HH expenditure on vegetable & milk food and cigarette and alcoholic beverage is Rs.3,033.33 and Rs.450.83. These expenditures are 9.08% and 1.35% of total HH expenditure. Similarly, the average per capita expenditure on these items is Rs.728 and Rs. 108.2 respectively per month. The study finds that family size with 9 members has the highest food- expenditure among all 60 families. The family has zero expenses on cigarette where as it has highest expenditure on vegetable and milk items among all the families. Per capita expenditure on vegetable and milk item of this family is

Rs.1,375. The expenditure is 37.93% of food expenditure and 13.64% of total expenditure

Families with 6 members have least average per capita expenditure on vegetable and milk food, which amounts to Rs.433.33. It is less than one third of highest per capita average expenditure of family with 9 members. The family allocates 23.74 % of food expenditure and 5.84% of total expenditure on milk and veg items. The average per capita expenditure of veg & milk food is Rs.728. Therefore, out of sampled 60 HH 35% of total HH and 44.44% of 250 sampled populations spend less than average per capita expenditure on vegetable and milk.

There are only 18 HH who allocate money expenses for cigarette and alcoholic beverage. Therefore, only 30% of HH allocate money for this item and 70% of them reject it. The table shows that monthly average HH expenditure on cigarette and alcoholic beverage is Rs.450.83. The table shows that per member expenditure on this item is Rs.108.2 in a month. The contribution made by this item on average per capita food expenditure and total expenditure is 1.34% and 4.26% respectively. The table shows that PST HH spends 7 times more on vegetable and milk than cigarette and alcoholic beverage. The HH with 2 members has highest average per capita expenditure on cigarette and alcoholic beverage. The family spends 3.28% and 9.74% of average per capita food expenditure and total expenditure respectively on this item. The families spend 6.97% and 20.69% of average per capita food expenditure and total expenditure respectively on vegetable and milk items.

Although alcoholic items are gradually being common in our society, it is still least preferred by PST family. Therefore it can be concluded cigarette and alcoholic beverage is independent of size of family and amount of expenditure of family.

**Table: 4.31**  
**Per capita Expenditure on Vegetable and Cigarette and Alcoholic Items**

<b>HH Size</b>	<b>No. of HH</b>	<b>Monthly Exp (in NRs)</b>	<b>Vegetable &amp; Milk food</b>	<b>Cigarette &amp; Alcoholic Beverage</b>	<b>Total Food Exp</b>	<b>Total Exp</b>
2	4	Average HH Exp	2,125.00	1,000.00	10,263.00	30,487.50
		Average per capita	1,062.50	500.00	5,131.25	15,244.00
3	20	Average HH Exp	2,851.00	353.00	8,149.00	28,254.00
		Average per capita	950.00	118.00	2,716.00	9,418.00
4	12	Average HH Exp	3,067.00	292.00	10,996.00	28,596.00
		Average per capita	767.00	73.00	2,749.00	7,149.00
5	17	Average HH Exp	2,559.00	500.00	10,650.00	34,630.00
		Average per capita	512.00	100.00	2,130.00	6,926.00
6	3	Average HH Exp	2,600.00	667.00	10,950.00	44,517.00
		Average per capita	433.33	111.17	1,825.00	7,419.50
7	2	Average HH Exp	5,500.00	1,000.00	20,150.00	66,650.00
		Average per capita	785.71	142.86	2,878.57	9,521.00
8	1	Average HH Exp	5,000.00	0	10,500.00	26,500.00
		Average per capita	625.00	0	1,312.50	3,312.50
9	1	Average HH Exp	12,375.00	0	32,625.00	90,750.00
		Average per capita	1,375.00	0	3,625.00	10,083.33
Average HH Expenditure			3,033.33	450.83	10,546.63	33,441.66
Average per capita Expenditure			728.00	108.20	2,531.19	8,026.00

Source: Field Survey, 2015

Similarly, Table 4.32 shows contribution of education on non-food and total expenditure where monthly average HH expenditure and monthly average per capita expenditure on education is Rs.5,288.18 and Rs.1,269.16 respectively.

In PST family the highest average the family with HH size 7 and amount is Rs.14,000. The expenditure on education by this family is 30.10% and 21% of non food and total per capita expenditure respectively. Whereas ,out of total average HH expenditure the family is spending just 6.75 % on festival and 4.5 % on travel and entertainment.

The lowest HH expenditure on education is from the family with HH size 4 and amount is Rs. 3,125. Its total Average HH expenditure is Rs. 28,596. The expenditure on education is 17.75 % and 10.92 % of average HH non food and total expenditure respectively. Out of total average HH expenditure, the family is spending 13.25 % on festival and 5.33 % on travel and entertainment. But the least per capita expenditure on education is in the family with 9 members. In this family only Rs. 625 is spent for a member for education which is 9.67% of per capita non-food expenditure and 6.19% of total per capita total expenditure. Simply, we can express as Rs.625 out of Rs.6,458.33 and Rs.10,083.33 respectively. It seems that to spend more on education family have to spend less in amusement items like festival, travel and entertainment.

We can also observe that except the family size 5 and 6, expenditure on festival and culture is goes on increasing as the size of the family increases. It shows that as extended family has more culture expenses than nuclear family. The table also reveals that even the least per capita expenditure on education (i: e Rs.625) is 9.67% of total per capita expenditure. At National level family expenditure on education is only 5%. Therefore, Expenditure on education by PST family is considerably higher than in National level.

**Table: 4.32**  
**Consumption Expenditure on Education by PST Family**

HH Size	No. of HH	Monthly Exp (in NRS)	Education	Festival & Culture	Travel & Entertainment	Non food Item	Total Exp
2	4	Average HH Exp	4,750.00	1,875.00	1,500.00	20,225.00	30,487.50
		Average per capita	2,375.00	937.50	750.00	10,112.50	15,244.00
3	20	Average HH Exp	3,983.31	3,716.61	1,722.45	20,106.00	28,254.00
		Average per capita	1,327.77	1,238.87	574.15	6,702.00	9,418.00
4	12	Average HH Exp	3,125.00	3,791.67	1,525.00	17,600.00	28,596.00
		Average per capita	781.25	947.92	381.25	4,400.00	7,149.00
5	17	Average HH Exp	7,029.41	2,833.29	1,852.94	23,980.00	34,630.00
		Average per capita	1,405.88	566.66	370.59	4,796.00	6,926.00
6	3	Average HH Exp	7,666.67	3,000.00	3,000.00	33,567.00	44,517.00
		Average per capita	1,277.78	500.00	500.00	5,594.50	7,419.50
7	2	Average HH Exp	14,000.00	4,500.00	3,000.00	46,500.00	66,650.00
		Average per capita	2,000.00	642.86	428.57	6,642.86	9,521.00
8	1	Average HH Exp	5,000.00	5,000.00	0	16,000.00	26,500.00
		Average per capita	625.00	625.00	0.00	2,000.00	3,312.50
9	1	Average HH Exp	5,625.00	7,200.00	4,050.00	58,125.00	90,750.00
		Average per capita	625.00	800.00	450.00	6,458.33	10,083.33
Average HH Expenditure			5,288.18			22,895.00	33,441.66
Average Per capita Expenditure			1,269.16			5,494.80	8,026.00

Source: Field Survey, 2015

**f) Nominal Per capita Consumption by Deciles Group:** The two components obtained from (i) consumption of food (ii) consumption of non-food were aggregated together to obtain a measure of total annual HH consumption. Per-capita consumption estimate was then obtained after dividing total consumption by the HH size i. e., the total number of individuals in each HH. Then after those deciles groups are formed to make comparative study among different groups. The deciles groups of percapita consumption are shown in the Table 4.33.

**Table: 4.33**  
**Per- capita Consumption by Deciles Groups**

Deciles	Total Monthly Consumption (in NRs)	%Share in Consumption	Cumulative Share of %
Lowest (first)	19,418.33	3.82	3.82
Second	24,533.00	4.83	8.65
Third	31,716.67	6.24	14.89
Fourth	37,072.52	7.29	22.18
Fifth	40,960.00	8.06	30.24
Sixth	44,900.60	8.84	39.08
Seventh	51,541.67	10.14	49.22
Eighth	60,400.00	11.89	61.11
Ninth	73,888.10	14.54	75.65
Tenth	123,766.67	24.35	100

Source: Field Survey, 2015

Table 4.33 shows that lowest 10% covers 3.82% of total consumption where as highest 10% covers about 6.35 times of it i.e. 24.35%. This shows greater inequality among the sampled group. Similarly, lowest 50% or half of the population (family members of PST) cover 30.24% of total consumption and highest 50% covers remaining 69.76%. In 2010/11 the bottom twenty percent of the population accounted for a mere 8 percent of total consumption while the top twenty percent of the population accounted for a whopping 45 percent (NLSS, 2011). In PST family lowest 20% cover just 8.65 % of total consumption and highest 20% covers 38.89%. Therefore, the disparity seems to be similar with National level.



# **CHAPTER – V**

## **MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

This chapter is suggestive framework of the study. This chapter includes major finding, conclusion and recommendation. The first aspect of the study has focused about the facts and second aspect give recommendation for improvement.

### **5.1 Major Findings**

This study has attempted to analyze the income and consumption pattern of private school teachers (PST) of Kathmandu metropolitan. Male involvement in sampled private schools is 60% and female is 40%. Similarly, 51.57% of PST in the study area is the age of 30-40 years. The study had found mainly six different ethnic groups involved in private school teaching. Among sampled PST 48.33% is Brahmin. Among female PST Newar and Brahmin community consists of 37.5% of total. 50% of PST holds Master degree. Similarly 40% of PST have passed diploma level.

Tuition and salary are two major sources of income of PST. Percentage of tuition taking PST is 56.66% and rest 43.34% are salary holder only. Average income of PST is Rs.21,136.67 and 51.67% of PST earns less than average income. Maximum and minimum salary earned by PST is Rs. 37,000 and Rs. 4,000 respectively. Contribution of salary in total HH income of PST is 66.84%. Gini coefficient of salary of PST is 0.4018. Out of total PST in sec. level, 85.71% are male and only 14.29 % are female. On the contrary, in primary level 75% are female and 25 % are male.

Average monthly consumption of PST family is Rs.33,441.67 out of which 68.68% is covered by non food item and 31.32% is covered by food item PST allocates highest percentage of total consumption on education which covers 15.81% and least to Cigarettes & Alcoholic Beverage which covers only 1.35% of total consumption expenditure. Food and cereal covers highest consumption expenditure which is equal to 32.68% of total food expenditure where as consumption for cigarette and beverage covers only 4.45% of total.

Monthly average per capita expenditure is Rs. 8,026. More than 55% of HH and 63.6 % of population has per capita expenditure less than average per capita expenditure.

But average expenditure on non-food items is more than double than of food expenditure in PST family. Monthly average HH expenditure and average per capita expenditure on education is Rs.5, 288.18 and Rs.1, 269.16 respectively. Top 10% of HH covers 24.35 % of total consumption where as lower 10% covers only 3.82% of total consumption expenditure.

## **5.2 Conclusions**

Private schools are independent schools which generate employment of people in Kathmandu. Brahmins are the most common human resource in private school. School teaching in private sector is joined by the age groups who are economically active. Lack of provision of provident fund and other incentives, service period of PST is shorter than teachers working in community schools and none of the PST has age more than 50 years.

The contribution of salary in total income cannot be replaced by tuition. Since contribution of salary in total income is more than tuition in every post in private school. Family members of PST prefer service sector than other economic activities. The study shows that there is less entrepreneur skill among family members of PST. The study finds wide range of disparity in income of PST. Generally private schools are guided by their own rules. Therefore, pay scale of private school is determined by various components like grade of schools, teacher's efficiency, teaching experience, exposure in the job etc.

There is less involvement of female PST in higher post than male in private schools. Unbroken exposure to the profession and the higher level of education have played role on it. PST allocates highest percentage of total consumption on education and least to Cigarettes & Alcoholic Beverage. The data truly reflect the consumption behaviour of people with academic background.

### **5.3 Recommendations**

Private schools should set their own rule for the involvement of female teachers in higher sections too. This type of system in school will also indirectly help governmental policy for active involvement of female in all sectors.

To reduce magnitude of disparity in salary, PST should work together and force management to follow the rules instructed by ministry of education. The problem can be solved by mutual understanding but if it still remains unsolved, they can raise their voice through existing PST's union. PST union should also be effective for addressing the problems of PST, regarding both economic and non economic issues.

For the welfare of both private schools and PST, every private school should form school management committee including PST's representative. The PST representative will raise the voice for facilities of PST in school. This attempt can reduce the problems related with generally low pay scale in private schools.

The government should monitor strictly to remove all the unhealthy practices in private schools. The government should force school management through the help of selected resource person for that school.

## References

- Acharya, B. B. (2012). *Income and consumption pattern of Itahari Municipality, Morang*. An unpublished master thesis. Department of Economics, Patan Multiple College, Patan Dhoka, Lalitpur, Nepal.
- Aryal, J. P., & Gautam, A. (2001). *Quantitative techniques* (2nd ed.). Kathmandu, Nepal: New Hira Book Enterprises, Kirtipur, Kathmandu, Nepal.
- Bana, B. (2008). *Economic status of Tibetan refuge*. An unpublished master thesis. Central Department of Economics, TU, Kirtipur, Nepal.
- CBS. (2011). *National Population and Census Survey -2010/11*, Central Bureau of Statistics, Government of Nepal, Singha Durbar, Kathmandu, Nepal.
- CBS. (2011). *Nepal Living Standards Survey (NLSS) - 2010/2011, Statistical Report, Vol(2)*, Central Bureau of Statistic, Government of Nepal, Singha Durbar, Kathmandu, Nepal.
- CBS. (2010). *Statistical pocket book of Nepal*: Central Bureau of Statistics, Government of Nepal, Singha Durbar, Kathmandu, Nepal.
- Dangal, P. (2002). *Income inequality of Nepal :A case study of Togachhi Village, Jhapa*. Anunpublished master thesis. Central Department of Economics, T.U, Kirtipur, Nepal.
- DCS. (2010). *Household Income and Expenditure Survey (HIES) - 2009/10*, The Department of Census and Statistics of Srilanka, Colombo, Srilanka.
- Department of National Planning (2009). *Household Income and Expenditure Survey - 2009/2010*, Ministry of Finance and Treasury Maldives, Male, Maldives.
- Desai, S. B., Dubek, A., Joshi, B. L., Vanneman, R., & Sen, M. (2010). *Human Development in India: Challenges for society Intrasition*. New Delhi, India: Oxford University Press.
- Gautam, Y. (2011). *Income and expenditure pattern in rural area:A case study on Sijuwa VDC, Morang*. An unpublished master thesis. Department of Economics, Patan Multiple College, Patan Dhoka, Lalitpur, Nepal.
- Ghose, B. K. (2005). *Rising consumption inequality in Bangladesh*. Retrieved from [http://www.wbiconpro.com/26\[1\].Badal.pdf](http://www.wbiconpro.com/26[1].Badal.pdf)

- Kathmandu Metropolitan City Office. (2013). Retrieved from [kathmandu.gov.np/index.php](http://kathmandu.gov.np/index.php):  
[http://kathmandu.gov.np/Page\\_Ward+Profile\\_15](http://kathmandu.gov.np/Page_Ward+Profile_15)
- Lamichhane, D. P. (2002). *The income and consumption in rural Nepal: A case study of Jagatpur VDC, Chitwan*. An unpublished master thesis. Central Department of Economics, TU, Kirtipur, Nepal
- MoE. (2010). *Ministry of Education: A glimpse- 2010*. Ministry of Education, Government of Nepal, Kaiser Mahal, Kathmandu, Nepal.
- Mudugamuwa, I. (2012, October 12). *SL tops SAARC region in Human Development*. Retrieved from <http://archives.dailynews.lk/2012/10/06/news01.asp>
- NRB. (2006). *Fourth Household Budget Survey -2005/2006*. Nepal Rastra Bank, Thapathali, Kathmandu, Nepal.
- Pant, G. D., & Chaudhary, A. K. (2001). *Business statistic & mathematics* (4th ed.), Bagbazar, Kathmandu, Nepal: Bhundi Puran Prakashan.
- Rajbhandari, S. N. (2005). *Inequality of income and wealth distribution in Nepal*. An unpublished Ph.D. University of Lugano, Lugano, Switzerland
- Risal, P. (2002). *Income and consumption pattern of Khajuri VDC*. An unpublished master thesis. Central Department of Economics, TU, Kirtipur, Nepal.
- Timalsina, R. k. (2007). *Income and consumption expenditure pattern in Nepal: A case study of Aadarsha VDC, Nawalparashi*. An unpublished master thesis, Department of Economics, Patan Multiple College, Patan Dhoka, Lalitpur, Nepal.
- UNESCO. (2009). *The Pakistan social and Living Standards Measurement Survey-2008/09*. Retrieved from <http://unesco.org.pk/education/life/files/PSLM%202008-09.pdf>

**Appendix**  
**Survey Questionnaire**

**1) Individual Information**

**a) Name:** .....

**b) Address:** i) Permanent: .....

ii) Temporary:.....

**c) Age (in years) :** i) below 20  ii) 20-30  iii) 30-40  iv) 40-50   
v) Above 50

**d) Nationality:**.....

**e) Gender:**i) Male  ii) Female

**f) Religion:**.....

**g) Name of the School :**.....

**h) School's Address :**.....

**i) Post of Respondent in school:** i) Primary level teacher

ii) Lower Secondary

iii) Secondary

**j) Qualification of respondent**

i) 10+2  ii) Bachelor

iii) Master  iv) M.Phil



4. Cigarette and beverage	
5. Readymade food & others	
<b>Total</b>	

**b) Expenditure on Non- food Items:**

Particular	Amount(in NRs)
1. Education (fees, tuition fees, stationary)	
2. Health and medicine	
3. Fuel and transportation	
4. Clothing ( approximately in a month)	
5. Communication ( Mobile, internet, telephone)	
6. Rent	
7. Travelling and Entertainment	
8. Festival and Culture Expenses	
<b>Total</b>	