

# **Relationship between Remittance and Rural Primary Education: A Case Study on Sampath Bank Remittance Beneficiaries**

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In many developing nations around the world, remittances have come to play a significant role in the development process in numerous ways: as a source of valuable foreign exchange, poverty reduction as well as enhancement of human capital. Referring to the Sri Lankan context, the situation is also same as nearly two million Sri Lankans are resident in foreign countries at present generating a remarkable amount of remittance accounts for nearly 8.3 percent to the Sri Lankan Gross Domestic Production which is second only to total export earnings. In Sri Lanka, most of the studies are confined to the benefits of migration on rural communities and members left behind by increasing household income but less is focused on the impact of remittance on educational productivity.

In this context, this study is conducted with the main objective of investigating the impact of remittance on primary education in rural community. This study also reveals the contribution of remittances for primary education, the productivity of remittance investments on education, comparison of the level of primary education among migrant and non-migrant families and factors affecting the productivity of primary education. The data collection was conducted using a pre-structured questionnaire in Galewela Divisional Secretarial with a sample of 45 each from remittance beneficiaries of Sampath Bank and non-remittance beneficiaries including children obtaining primary education.

The findings of the study reveal that migrant households spend more on primary education than non-migrant households. Using Wilcoxon Sign Rank Test, it has been measured that according to the parental perception of migrant families, the productivity of rural primary education has been increased after the investment of remittance. But according to the statistical comparison using two sample t- test focused on the level of primary education among migrant and non-migrant families, it has been revealed that remittance has no significant impact on the productivity of rural primary education. Through the regression analysis conducted to find the factors affecting rural primary education, it has been concluded that parental absence and time allocation of mother for children education plays an important role than the share of remittance on education.

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