
NEWSLETTER

Can Investment in Vocational Education Increase the Income of the Rural Labor Force?

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PREVIOUS researches prove that vocational education is highly coupled with the development of the economy and society in rural areas. However, the rate of returns in vocational education on rural labor force with various income levels still requires further investigation. On the basis of data from China Family Panel Studies (CFPS) 2018, recently a study published in *Educational Research* explored the validity of vocational education in promoting the increase of different income level of the rural labor force, through the counterfactual estimation based on Propensity Score Matching (PSM) and the expanded Mincer Equation.

The results are as follows:

- To some extent, vocational education indeed played the role of promoting the increment of the rural labor force, which shows a significant effect on the economic benefits of rural labor.
- Secondary vocational education has effectively promoted the increase of rural labor income, but the marginal rate of returns of relative income has gradually reduced.
- Regarding higher education, the positive effects of investments in higher vocational education are generally lower than those of undergraduate education.
- The rural labor force cultivated by vocational education is more in line with the demand of the employment market.

This study showed that vocational education can promote the increase of the rural labor force, but the potential of income increase needs to be further improved. This requires thinking outside the box, other than trapped in the economic model of whether the rural labor income increase and investment vocational education are cost-effective, but to consider the two-way coupling between the benign interaction and symbiotic development from the perspective of symbiosis. To be specific, suggestions have been put up as follows: broaden the appeal for rural educators on vocational education; consolidate the foundational status of secondary vocational education; reasonably

arrange higher vocational education; give full play to the advantages of effective linking vocational education with the labor market.

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