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## INCOME CONSUMPTION RELATIONSHIP AMONG PUBLIC SECTOR BANK EMPLOYEES : A STUDY BASED ON LIFE CYCLE HYPOTHESIS



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**ABSTRACT :** *Life cycle hypothesis tries to explain the consumption pattern of an individual over his life time. Accordingly, during the initial and final stages of life, there is dissavings and it is during the middle years that an individual saves. This paper examines the compatibility of consumption pattern of government employees with life cycle hypothesis. Correlation between age and savings and thereby finding as to what extent the age affects saving is also examined. Further, whether age is an important determinant of wealth is also analyzed. Primary data is collected through a well-structured questionnaire. Secondary data is collected from books, journals and other e - resources. Study area includes employees from public sector banks in Ernakulam, using simple random sampling method. Data are tabulated and depicted using pie charts, bar diagrams, regression line. Also, certain statistical methods such as correlation, regression, ANOVA, along with certain test such as t-test have been made use of. Hypothesis are stated and tested so as to accept or reject the claim and infer the results. Findings are summarized based on the analysis.*

**Keywords :** *Life Cycle Hypothesis, Consumption Pattern, Determinant, Correlation, Age, Wealth and Savings*