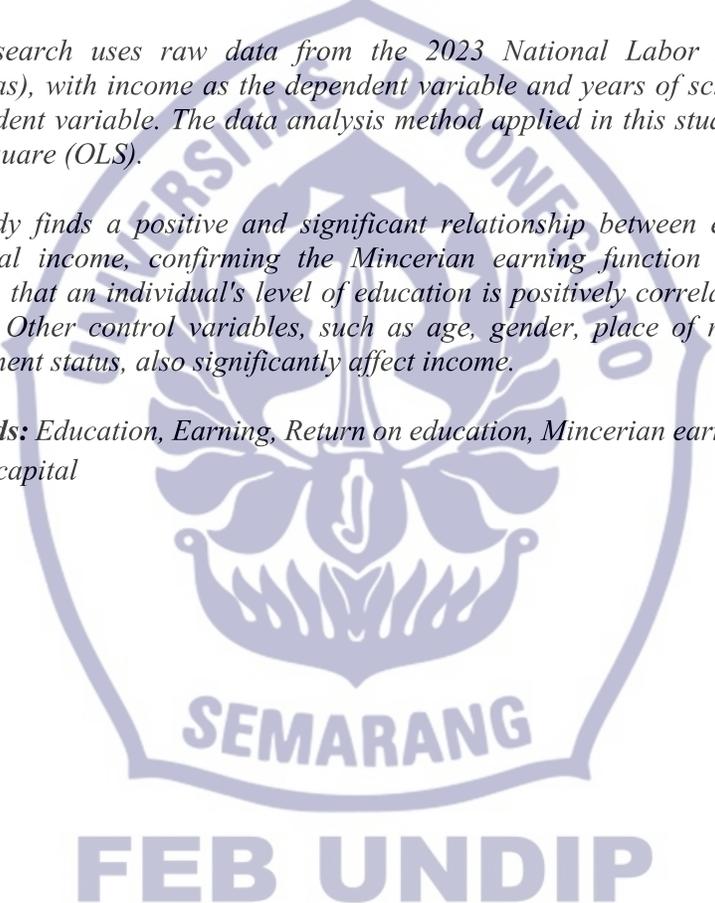## ABSTRACT

The analysis of Return on Education (RoE) is a key concept in the economics of education, offering a comprehensive perspective on the extent to which investment in education can yield returns in the form of increased individual economic welfare. This study aims to analyze the return on education in North Sumatra Province in 2023 and examine the relationship between education and individual income, based on the Mincerian earning function model.

This research uses raw data from the 2023 National Labor Force Survey (Sakernas), with income as the dependent variable and years of schooling as the independent variable. The data analysis method applied in this study is Ordinary Least Square (OLS).

The study finds a positive and significant relationship between education and individual income, confirming the Mincerian earning function model, which suggests that an individual's level of education is positively correlated with their income. Other control variables, such as age, gender, place of residence, and employment status, also significantly affect income.

Keywords: *Education, Earning, Return on education, Mincerian earning Function, Human capital*