

## SOCIAL SECTORS

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Following the economic reforms in 1991-92, the country has recorded a growth path of 6-7 per cent annually. Though this is an improvement over the previous decade it is still inadequate to reduce the backlog of country's poverty. A veritable ICE revolution – information, communication and entertainment - much of which is techno driven, together with globalisation of trade, has caused awareness amongst the poor of how deprived and disadvantaged they have been and how, the much improved growth rate in general, has continued to elude them from accessing basic necessities of life.

10.2 The availability of education, health care, housing, water, electricity, cooking fuel, old age support, sanitation, and employment are the basic need for a civilized living. The fulfillment of basic needs and adequate income distribution will become feasible with higher rates of economic growth. The role of government is, however vital for meeting basic needs.

10.3 For more affluent people, access to private schools, high tech hospitals, transport, communication, piped water and uninterrupted power supply may appear normal features of modern day living. For the poor, the basic necessities of life have a different connotation. Their needs are initially for simple necessities – free and easily accessible schools for children, mid-day meals at schools, public health services, cheap public transport and basic sanitation and water supply facilities. Most of the rural habitations and urban slums may have only limited supply of such facilities.

Inequalities, therefore, need to be addressed through focussed attention on installing and operating the basic infrastructure that would meet the minimum needs of the poor.

### Government Social Sector Spending

10.4 Education, health, family welfare, nutrition, sanitation, water supply, roads and social security – these constitute the basic social needs. Government has to be the principle supplier of services that constitute such public goods. But providing all these services have costs against which pecuniary returns are often intangible. Hence, Government's expenditure is the key to creating the necessary environment and infrastructure that can render service to meet these basic human needs.

10.5 Plan and Non-Plan expenditure of the Central Government on various social sector services increased from a level of Rs. 9608 crore in 1992-93 to Rs. 36270 crore in 2000-01 (BE); an increase of about four times in eight years. As a ratio to total expenditure, the combined plan and non plan expenditure of the Centre rose from 8.1 per cent in 1992-93 to 10.7 per cent in 2000-01. Expressed as a ratio to GDP at current market prices, the expenditure on social services of central government increased from 1.28 per cent in 1992-93 to 1.66 per cent in 2000-01 (BE) (Table 10.1). Thus, in spite of the severe budgetary pressures faced by the Central Government, it has attempted to enhance outlays for the Social Sectors.

**TABLE 10.1**  
**Central Government Expenditure (Plan and Non-Plan) on Social Services**

(Rs. Crore)

Item	1992-93	1996-97	1997-98	1998-99	1999-2000 (RE)	2000-01 (BE)
<b>1. Social Services</b>	<b>6397</b>	<b>13659</b>	<b>15894</b>	<b>19729</b>	<b>23727</b>	<b>25873</b>
a. Education, Sports & Youth Affairs	1878	3988	5012	6550	7115	8416
b. Health and Family Welfare	1722	2751	3174	3915	5110	5860
c. Water supply, Sanitation, Housing and Urban Dev.	788	2957	3304	4190	4619	5087
d. Information & Broadcasting	371	593	898	1074	1230	1368
e. Welfare of SC / ST and Other Backward Classes	488	833	725	946	1083	1267
f. Labour, Employment and Labour Welfare	347	587	562	758	868	941
g. Social Welfare & Nutrition	803	1950	2219	2295	3702	2935
<b>2. Rural Development</b>	<b>3211</b>	<b>5081</b>	<b>5583</b>	<b>5403</b>	<b>5185</b>	<b>5397</b>
<b>3. Basic Minimum Services (BMS)* including Slum development</b>	—	<b>2466</b>	<b>2873</b>	<b>3684</b>	<b>4048</b>	—
<b>4. Pradhan Mantri Gramodya Yojana (PMGY)@</b>	—	—	—	—	—	<b>5000</b>
<b>5. Social Services, Rural Dev. BMS and PMGY (1+2+3+4)</b>	<b>9608</b>	<b>21206</b>	<b>24350</b>	<b>28816</b>	<b>32960</b>	<b>36270</b>
<b>6. Total Central Government Expenditure as per cent of GDP at current market prices**</b>	<b>15.8</b>	<b>13.9</b>	<b>14.2</b>	<b>14.6</b>	<b>15.5</b>	<b>15.5</b>
<b>7. Social Services, Rural Dev. BMS &amp; PMGY as a percentage of Total Expenditure**</b>	<b>8.12</b>	<b>11.14</b>	<b>11.26</b>	<b>11.24</b>	<b>10.85</b>	<b>10.72</b>
<b>8. Social Services, Rural Dev. BMS &amp; PMGY as a percentage of GDP at mkt. Price\$</b>	<b>1.28</b>	<b>1.55</b>	<b>1.59</b>	<b>1.60</b>	<b>1.68</b>	<b>1.66</b>

Note : Figures for the years 1992-93 to 1998-99 are actuals.

\* : Came into operation from 1996-97.

@ : Launched in 2000-01(BE) as a new initiative for basic rural needs.

\*\* : The total Central Govt. expenditure excludes the transfer of State's/UT's share of small saving collections.

\$ : Ratios to GDP are at current market prices (Base : 1993-94) released by CSO. GDP for 2000-01 are based on CSO's Advance Estimates.

Source: Budget Papers.

10.6 As a per centage to the GDP at current market prices, plan expenditure of the Centre on major schemes of social sectors (Table 10.2) has been in the range of 1.1 per cent to 1.2 per cent during the last decade. However, significant increases in central plan outlay is observed in education, especially elementary education, health, women and child development, and family welfare programmes

in the budgeted estimates of 2000-01. The central plan outlay in 2000-01 (BE) as compared to the previous year's revised estimate increased by 24.3 per cent for education and 26.5 per cent for elementary education programmes; by 29.8 per cent for health sector programmes; by 16.8 per cent for women and child development; and by 12.8 per cent for family welfare schemes.

**TABLE 10.2**  
**Central Plan Outlay for Major Schemes of Social Sectors and Rural Development**

(Rs. crore)

Ministry/Department/Scheme	1997-98		1998-99		1999-2000		2000-2001
	(BE)	(RE)	(BE)	(RE)	(BE)	(RE)	(BE)
<b>1 EDUCATION</b>	<b>4095</b>	<b>3350</b>	<b>4245</b>	<b>4045</b>	<b>4700</b>	<b>4385</b>	<b>5449</b>
of which							
a) Elementary Education	2542	2265	2779	2741	3035	2852	3609
b) Adult Education	127	81	94	77	110	79	120
<b>2 HEALTH INCLUDING I.S.M.&amp;H.</b>	<b>955</b>	<b>918</b>	<b>1195</b>	<b>981</b>	<b>1195</b>	<b>1062</b>	<b>1378</b>
<b>3 FAMILY WELFARE</b>	<b>1829</b>	<b>1829</b>	<b>2489</b>	<b>2253</b>	<b>2920</b>	<b>3120</b>	<b>3520</b>
<b>4 WOMEN AND CHILD DEVELOPMENT</b>	<b>900</b>	<b>1026</b>	<b>1226</b>	<b>1134</b>	<b>1320</b>	<b>1250</b>	<b>1460</b>
of which Integrated Child Development Services	734	600	603	768	856	856	935
<b>5 WELFARE (Social Justice and Empowerment)</b>	<b>1389</b>	<b>804</b>	<b>1539</b>	<b>1147</b>	<b>1207</b>	<b>1159</b>	<b>1350</b>
<b>6 RURAL DEVELOPMENT AND RURAL EMPLOYMENT &amp; POVERTY ALLEVIATION#</b>	<b>9001</b>	<b>8290</b>	<b>9811</b>	<b>9345</b>	<b>9751</b>	<b>9351</b>	<b>9760</b>
of which							
a) Jawahar Gram Samridhi Yojana (JGSY)*	2078	1953	2095	2060	2095	1689	1650
b) Employment Assurance Scheme (EAS)	1970	1905	1990	1990	1700	2040	1300
c) National Social Assistance Programme	700	490	700	640	725	710	715
d) IRDP (Swaranjayanti Gram Swarozgar Yojana (SGSY)**	611	552	800	701	1215	950	1000
e) Rural Water Supply and Sanitation	1402	1402	1727	1669	2020	1899	2240
f) Rural Housing (including Indira Awas Yojana)++	1190	1144	1600	1532	1710	1659	1710
<b>7 OTHER PROGRAMMES e.g.</b>							
a) Nehru Rozgar Yojana (NRY)	80	31	—	—	—	—	—
b) Prime Minister's Rozgar Yojana (PMRY)	145	95	110	136	173	190	201
c) Swarna Jayanti Shahari Rojgar Yojana (SJSRY)@@		103	189	162	181	126	168
<b>(A) Total Central Plan outlay on Major Schemes on Social Sectors (1 to 7)</b>	<b>18394</b>	<b>16446</b>	<b>20804</b>	<b>19203</b>	<b>21447</b>	<b>20643</b>	<b>23286</b>
<b>(B) Total Plan Expenditure</b>	<b>62852</b>	<b>60630</b>	<b>72002</b>	<b>68371</b>	<b>77000</b>	<b>79395</b>	<b>88100</b>
<b>(C) A as percentage of Total Plan Expenditure</b>	<b>29.27</b>	<b>27.13</b>	<b>28.89</b>	<b>28.09</b>	<b>27.85</b>	<b>26.00</b>	<b>26.43</b>
<b>(D) GDP at current market prices (Rs. crore)</b>	<b>1522441</b>	<b>1522441</b>	<b>1758276</b>	<b>1758276</b>	<b>1956997</b>	<b>1956997</b>	<b>2179399†</b>
<b>(E) A as percentage of GDP at current market prices\$</b>	<b>1.21</b>	<b>1.08</b>	<b>1.18</b>	<b>1.09</b>	<b>1.10</b>	<b>1.05</b>	<b>1.08</b>

# From 1999-2000, it includes allocation for three departments viz. Rural Development, Land Resources and Drinking Water Supply.

\* JRY was restructured and renamed as Jawahar Gram Samridhi Yojana (JGSY) from April 1999.

\*\* IRDP has been renamed as Swarnajayanti Gram Swarozgar Yojana (SGSY) from April 1999 and its allied programmes like TRYSEM, DWCRA, SITRA, GKY and MWS merged with it.

++ The Indira Awas Yojana (IAY), earlier a sub scheme of JRY has become a separate scheme from 1.1.1996.

@@ Is a rationalised version of the erstwhile schemes of Urban Basic Services, NRY and PM's Integrated Urban Poverty Eradication Programme.

\$ Ratios to GDP or at current market prices (base : 1993-94) released by the Central Statistical Organisation (CSO).

† Advance Estimates.

Source : Budget Paper.