

## Social Sectors

The development of India's vast human resource potential is the essence of the social sector development strategy being followed in the country. Significant progress has been made over the years in human resource development which is reflected in improved demographic indicators, health care services, progress in the field of education and adult literacy levels. The Approach Paper to the Tenth Five Year Plan (2002-07) which outlines a strategy to achieve a GDP growth rate of 8 per cent, has a specific focus on human development. The Approach Paper stipulates that economic growth expressed in terms of increases in GDP or per capita income should be accompanied by a broader enhancement of human well being and quality of life. This includes not only an adequate level of consumption of food and other consumer goods but also access to basic social services, especially education, health, drinking water and basic sanitation. It also includes the expansion

of economic and social opportunities for all individuals and groups, reduction in disparities and a greater participation in the decision making process. The attainment of monitorable targets (Box.10.1) set out in this regard not only necessitates a substantial allocation of resources for the social sectors but also involves an enhanced role for the government in the provision of social services, rural infrastructure, road development etc.

10.2 In recognition of the enhanced role of government in human resource development, the Central Government has increased the resource allocations for individual components of the social sector. The effectiveness of Central allocations depends mainly on how best the State Governments implement the various Social Sector Schemes. Central Government expenditure (Plan and Non Plan) on education, health, family welfare, nutrition, sanitation, rural development,

### BOX. 10.1

#### Monitorable Targets for the Tenth Plan and Beyond

- Reduction of poverty ratio by 5 percentage points by 2007 and by 15 percentage points by 2012;
- Providing gainful high-quality employment to the addition to the labour force over the Tenth Plan period;
- All children in school by 2003; all children to complete 5 years of schooling by 2007;
- Reduction of gender gaps in literacy and wage rates by at least 50 per cent by 2007;
- Reduction in the decadal rate of population growth between 2001 and 2011 to 16.2 per cent;
- Increase in Literacy rate to 75 per cent within the plan period;
- Reduction of infant mortality rate (IMR) to 45 per 1000 live births by 2007 and to 28 by 2012;
- Reduction of Maternal mortality ratio (MMR) to 2 per 1000 live births by 2007 and to 1 by 2012;
- Increase in forest and tree cover to 25 per cent by 2007 and 33 per cent by 2012;
- All villages to have sustained access to potable drinking water within the Plan period;
- Cleaning of major polluted rivers by 2007 and other notified stretches by 2012.

housing, social welfare etc. has increased sharply from Rs. 9,608 crore in 1992-93 to Rs. 40,205 crore in 2001-02 (BE). As a ratio to total expenditure, the combined plan and non plan expenditure of the Centre on these areas rose from 8.1 per cent in 1992-93 to 10.7 per cent in 2001-02 (BE). Expressed as a ratio to GDP at current market prices, the expenditure on social services of the Central government increased from 1.3 per cent in 1992-93 to 1.8 per cent in 2001-02 (Table.10.1). Thus, despite severe budgetary constraints being faced, the Government has enhanced allocations for the social sectors. The

Plan expenditure of the Centre on major schemes in the social sector (Table.10.2) has been in the range of 1.1 to 1.2 per cent (BE) of the GDP at current market prices for the last decade. However, there have been significant increases in the Central Plan outlay for education, health, family welfare, women and child development etc. The Central Plan outlay for 2001-02 (BE), as compared to the previous year's revised estimates, increased by 19.6 per cent for the education sector, 20.6 per cent for elementary education and 100 percent for adult education programmes, by 24.2 per cent for health sector

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

(Rs. Crore)

Item	1992-93	1997-98	1998-99	1999-2000 Actuals	2000-01 (RE)	2001-02 (BE)
<b>1. Social Services</b>	<b>6,397</b>	<b>15,894</b>	<b>19,747</b>	<b>23,406</b>	<b>25,164</b>	<b>30,061</b>
a. Education, Sports & Youth Affairs	1,878	5,012	6,604	7,081	7,860	9,010
b. Health and Family Welfare	1,722	3,174	3,993	5,012	5,420	6,248
c. Water supply, Sanitation, Housing and Urban Dev.	788	3,304	4,073	4,465	4,566	4,700
d. Information & Broadcasting	371	898	1,037	1,169	1,338	1,400
e. Welfare of SC / ST and Other Backward Classes	488	725	916	951	1,010	1,257
f. Labour, Employment and Labour Welfare	347	562	709	845	911	1,038
g. Social Welfare & Nutrition	803	2,219	2,415	3,883	2,707	3,478
h. North-Eastern Areas					1,352	2,930
<b>2. Rural Development</b>	<b>3,211</b>	<b>5,583</b>	<b>5,854</b>	<b>5,184</b>	<b>4,189</b>	<b>4,458</b>
<b>3. Basic Minimum Services (BMS)* including Slum development</b>	<b>—</b>	<b>2,873</b>	<b>3,684</b>	<b>4,048</b>	<b>321</b>	<b>386</b>
<b>4. Pradhan Mantri Gramodya Yojana (PMGY)@ Pradhan Mantri Garam Sadak (PMGY)@</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,350</b>	<b>2,800</b>
<b>5. Social Services, Rural Dev. BMS and PMGY (1+2+3+4)</b>	<b>9,608</b>	<b>24,350</b>	<b>29,285</b>	<b>32,638</b>	<b>34,524</b>	<b>40,205</b>
<b>6. Total Central Government Expenditure as per cent of GDP at current market prices**</b>	<b>15.8</b>	<b>14.2</b>	<b>14.7</b>	<b>15.4</b>	<b>16.0</b>	<b>16.4</b>
<b>7. Social Services, Rural Dev. BMS &amp; PMGY as a percentage of Total Expenditure**</b>	<b>8.1</b>	<b>11.3</b>	<b>11.4</b>	<b>10.9</b>	<b>10.3</b>	<b>10.7</b>
<b>8. Social Services, Rural Dev. BMS &amp; PMGY as a percentage of GDP at mkt. Price\$</b>	<b>1.3</b>	<b>1.6</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>
<b>Note :</b>	<b>Figures for the years 1992-93 to 1999-2000 are actuals.</b>					
<b>*</b>	<b>Came into operation from 1996-97.</b>					
<b>@</b>	<b>Launched in 2000-01 (BE) as a new initiative for basic rural needs.</b>					
<b>**</b>	<b>The total Central Govt. expenditure excludes the transfer of State's/UT's share of small saving collections.</b>					
<b>\$</b>	<b>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.</b>					
<b>Source :</b>	<b>Budget Papers.</b>					

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

(Rs. crore)

Ministry/Department	1998-99		1999-2000		2000-2001		2001-2002
	(BE)	(RE)	(BE)	(RE)	(BE)	(RE)	(BE)
<b>1 EDUCATION</b>	<b>4,245</b>	<b>4,045</b>	<b>4,700</b>	<b>4,385</b>	<b>5,449</b>	<b>4,950</b>	<b>5,919</b>
of which							
a) Elementary Education	2,779	2,741	3,035	2,852	3,609	3,150	3,800
b) Adult Education	94	77	110	79	120	100	200
2 HEALTH INCLUDING I.S.M.&H.	1,195	981	1,195	1,062	1,378	1,250	1,553
3 FAMILY WELFARE	2,489	2,253	2,920	3,120	3,520	3,200	4,210
4 WOMEN AND CHILD DEVELOPMENT	1,226	1,134	1,320	1,250	1,460	1,350	1,650
of which Integrated Child Development Services	603	768	856	856	935	935	1,198
5 WELFARE (Social Justice and Empowerment)	1,539	1,147	1,207	1,159	1,350	1,173	1,350
6 RURAL DEVELOPMENT AND RURAL EMPLOYMENT & POVERTY ALLEVIATION#	9,811	9,345	9,751	9,351	9,760	9,270	9,765
of which							
a) Jawahar Gram Samridhi Yojana (JGSY)*	2,095	2,060	2,095	1,689	1,650	1,494	1,650
b) Employment Assurance Scheme (EAS)	1,990	1,990	1,700	2,040	1,300	1,615	1,600
c) National Social Assistance Programme	700	640	725	710	715	715	835
d) IRDP (Swaranjayanti Gram Swarozgar Yojana (SGSY)**	800	701	1,251	950	1,000	411	500
e) Rural Water Supply and Sanitation	1,727	1,669	2,020	1,899	2,100	2,100	2,160
f) Rural Housing (including Indira Awas Yojana)^	1,600	1,532	1,710	1,659	1,710	1,656	1,527
7 OTHER PROGRAMMES e.g.							
a) Prime Minister's Rozgar Yojana (PMRY)	110	136	173	190	201	201	194
b) Swarna Jayanti Shahari Rojgar Yojana (SJSRY)@@	189	162	181	126	168	95	168
(A) Total Central Plan outlay on Major Schemes on Social Sectors (1 to 7)	20,804	19,203	21,447	20,643	23,286	21,489	24,809
(B) Total Plan Expenditure	72,002	68,371	77,000	79,395	88,100	86,238	1,00,100
(C) A as percentage of Total Plan Expenditure	28.89	28.09	27.85	26	26.43	24.92	24.78
(D) GDP at current market prices (Rs. crore)	17,40,935	17,40,935	19,29,641	19,29,641	20,87,988	20,87,988	22,91,525#
(E) A as percentage of GDP at current market prices\$	1.2	1.1	1.1	1.1	1.1	1.0	1.1

# 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.

programmes, by 31.6 per cent for family welfare programmes and 22.2 per cent for women and child development.

10.3 There has been significant progress in human development in the country as reflected in broad indicators such as the improvements registered in educational attainments, health coverage and in the provision of basic social infrastructure. India ranks 115th out of 162 countries in terms of the UNDP's Human

Development Index (HDI) and is classified in the group Medium Human Development with an HDI of 0.571 in 2001. India's comparative position on Human and Gender Development is listed at (Table.10.3) . Though the overall index on gender related development has improved in 2001 as compared to 1992, it is still low in comparison with the country's human development levels (Report of NIPFP on Gender Diagnosis and Budgeting in India, December, 2001).

**TABLE 10.3**  
**India's global position on human and gender development**

Country	Human Development Index		Gender Development Index		Gender Empowerment Measure	
	1992	2001	1992	2001	1992	2001
Norway	0.933	0.939	0.911	0.937	0.752	0.836
Australia	0.927	0.936	0.901	0.935	0.568	0.738
Sri Lanka	0.704	0.735	0.660	0.732	0.288	0.308
China	0.594	0.718	0.578	0.715	0.474	0.321
Indonesia	0.637	0.677	0.591	0.671	0.362	0.362@
<b>India</b>	<b>0.439</b>	<b>0.571</b>	<b>0.401</b>	<b>0.533</b>	<b>0.226</b>	<b>0.240@</b>
Pakistan	0.483	0.498	0.360	0.466	0.153	0.176@
Nepal	0.343	0.480	0.310	0.461	0.315	-
Bangladesh	0.364	0.470	0.334	0.459	0.287	0.309
Mozambique	0.246	0.323	0.229	0.309	0.350	0.428@
Ethiopia	0.227	0.321	0.217	0.308	0.205	-
Niger	0.207	0.274	0.196	0.260	-	0.120@

Note: @ relates to 1999  
Source: Human Development Reports 1995, 1999 and 2001