

Social Sectors

The ultimate objective of all development endeavours is human development, encompassing the quality of life, the level of well being and access to basic social services. The emphasis on the achievement of higher economic growth alongwith social justice is manifest in the renewed focus on

development initiatives in the social sectors. Central Government resource allocations for the individual components of these sectors have been increasing over the years (Table 10.1). Central Government expenditure (Plan and Non-Plan) on education, health, family welfare, nutrition, sanitation, rural

Table 10.1 : Central Government expenditure (Plan and Non-Plan) on social sectors and rural development

(Rs. Crore)

Item	1992-93 Actual	1998-99 Actual	1999-00 Actual	2000-01 Actual	2001-02 (RE)	2002-03 (BE)
1. Social Services	6397	19750	23406	26550	29267	33547
a. Education, Sports & Youth Affairs	1878	6604	7081	7696	8703	9948
b. Health and Family Welfare	1722	3993	5012	5291	5734	7038
c. Water supply, Sanitation, Housing and Urban Dev.	788	4073	4465	4932	5853	5391
d. Information & Broadcasting	371	1041	1169	1317	1331	1438
e. Welfare of SC / ST and Other Backward Classes	488	916	951	969	1133	1385
f. Labour, Employment and Labour Welfare	347	708	845	894	871	900
g. Other social services	803	2415	3883	4124	3092	2768
h. North-Eastern areas				1327	2550	4679
2. Rural Development	3211	5854	5184	4449	5729	6430
3. Basic Minimum Services (BMS)* including Slum development	—	3684	4048	321^	341	365
4. Pradhan Mantri Gramodaya Yojana (PMGY)@	—	—	—	2350^	2533	2800
Pradhan Mantri Gram Sadak Yojana (PMGSY)@	—	—	—	2500	2500	2500
5. Social Services, Rural Dev. BMS and PMGY (1+2+3+4)	9608	29288	32638	36170	40370	45642
6. Total Central Government expenditure as percentage of GDP at current market prices**	17.40	16.04	15.40	15.50	16.0	16.74
7. Social Services, Rural Dev. BMS & PMGY as a percentage of Total Expenditure**	7.8	10.5	11.0	11.1	11.1	11.1
8. Social Services, Rural Dev. BMS & PMGY as a percentage of GDP at mkt. Price\$	1.4	1.7	1.7	1.7	1.8	1.9

Note : Figures for the years 1992-93, 1998-99 to 2000-01 are actuals.

* : Came into operation from 1996-97.

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

** : The total Central Government Expenditure excludes the transfer of States/UTs share of small savings collections.

\$: Ratios to GDP are at current market prices as released by CSO. GDP for 2002-03 is based on CSO's Advance Estimates.

^ : RE figures

Source : Budget documents.

development, housing, social welfare etc. increased from Rs.9,608 crore in 1992-93 to Rs.40,370 crore in 2001-02 (RE). For 2002-03(BE), Rs.45,642 crore have been provided, an increase of 13 percent over the previous year. The Central Government's current contribution of development funds for the social sectors, as a ratio of total expenditure, rose from 7.8 percent in 1992-93 to 11.1 percent in 2001-02(RE) as also in 2002-03(BE). As a ratio of GDP at current market prices, the Central Government expenditure on social services increased from 1.4 percent in 1992-93 to 1.8 percent in 2001-02(RE) and further to 1.9 percent in 2002-03 (BE).

10.2 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 percent of the GDP at current market prices for the last decade. However, there has been a significant increase in the Central plan outlay for education, health, family welfare, women and child development etc. The Central plan outlay for 2002-03 (BE), as compared to the previous year's revised estimates, increased by 26.1 percent for the education sector, 20.4 percent for elementary education and 19.7 percent for adult education programmes, by 16.0 percent for health sector programmes, by 33.2 percent for family welfare programmes and by 33.3 percent for women and child development.

10.3 Trends witnessed in the total plan and non-plan expenditure on the social sectors by the General Government (combined Centre and States) as a percentage of total expenditure and GDP since 1986-87 are at Table 10.3.

10.4 Prominent components of the social sector such as health, rural sanitation, etc., are State subjects in the jurisdiction of the State Governments and requiring concerted action at the State level. The Central Government has been supplementing the efforts of the States through release of additional funds for specific programmes. Central assistance to State plans has grown substantially over the years. As per the existing practice, the Central ministries release funds for Centrally

sponsored schemes (CSS) directly to project implementing agencies. In the meeting of Chief Ministers held on 18th October 2002 at New Delhi under the chairmanship of the Prime Minister, there was a consensus that henceforth all releases under CSS should be made through the Consolidated Fund of the States and not directly to the project implementing agencies. It was also agreed that, as a pre-condition, the States will pass on the funds to the end-users within a stipulated time of three weeks, and inform the administrative ministry in the Government of India of having done so. This arrangement is to be made effective from April 1, 2003.

Human development indicators

10.5 The Millennium Development Goals (MDGs) comprise quantifiable, monitorable targets to assess progress achieved against standards set by the international community (Box10.1). The latest Human Development Report (HDR), 2002 of UNDP highlights that rapid growth in the two largest countries – China since the 1970s and India since the late 1980s has enabled them to catch up to some extent with rich countries. In the 1990s, only 24 countries, including China and India, achieved a 3.7 percent annual growth in per capita GDP.

10.6 India has been ranked 124th out of 173 nations in terms of the UNDP's Human Development Index (HDI) and is classified in the group Medium Human Development with an HDI of 0.577 for the year 2000. The Human Development Index (HDI) measures the overall achievements in a country in three basic dimensions of human development - longevity and health, education and knowledge and a decent standard of living. The previous year, India was ranked 115 in a comity of 162 countries, with an HDI of 0.571. India's comparative position on human and gender Development is listed at Table 10.4.

10.7 The first ever National Human Development Report (NHDR) brought out by the Planning Commission has estimated the value of Human Development Index (HDI) for the States and the Union Territories in the country for the years 1981, 1991 and 2001.

Table 10.2 : Central plan outlay for major schemes of social sectors and rural development

(Rs. crore)

Ministry/Department	1999-00		2000-01		2001-02		2002-03
	(BE)	(RE)	(BE)	(RE)	(BE)	(RE)	(BE)
1 Education of which	4700.0	4385.0	5449.0	4950.0	5920.0	5570.0	7025.0
a) Elementary education	3035.0	2852.0	3609.0	3150.0	3800.0	3574.8	4302.3
b) Adult education	110.0	79.0	120.0	100.0	200.0	175.3	209.7
2 Health including Indian System of Medicine and Homoeopathy	1195.0	1062.0	1378.0	1250.0	1553.0	1418.0	1643.5
3 Family welfare	2920.0	3120.0	3520.0	3200.0	4210.0	3700.0	4930.0
4 Women and Child Development of which Integrated Child Development Services	1320.0	1250.0	1460.0	1350.0	1650.0	1650.0	2200.0
of which Integrated Child Development Services	856.0	856.0	935.0	935.0	1198.0	1217.6	1442.2
5 Welfare (Social Justice and Empowerment)	1207.0	1159.0	1350.0	1173.0	1333.0	1239.7	1410.0
6 Rural Development and Rural Employment & Poverty Alleviation# of which	9751.0	9351.0	9760.0	9270.0	9765.0@	11067.0@	11170.0@
a) Jawahar Gram Samridhi Yojana (SGRY-II)*	2095.0	1689.0	1650.0	1494.0	1650.0	1875.0	2220.0
b) Employment Assurance Scheme (SGRY-I)*	1700.0	2040.0	1300.0	1600.0	1600.0	1875.0	2220.0
c) National Social Assistance Programme	725.0	710.0	715.0	715.0	835.0	635.0	—£
d) IRDP (Swarnajayanti Gram Swarozgar Yojana (SGSY)**	1251.0	950.0	1000.0	470.0	500.0	550.0	710.0
e) Rural water supply and sanitation	2020.0	1899.0	2100.0	2100.0	2160.0	2110.0	2400.0
f) Rural housing (including Indira Awas Yojana)^	1710.0	1659.0	1710.0	1656.0	1527.0	1991.0	1725.0
7 Other programmes							
a) Prime Minister's Rozgar Yojana (PMRY)	173.0	190.0	201.0	201.0	193.5	193.5	152.1
b) Swarna Jayanti Shahari Rozgar Yojana (SJSRY)@@	181.0	126.0	168.0	95.0	168.0	45.5	105.0
(A) Total Central plan outlay on major schemes on social sectors (1 to 7)	21447.0	20643.0	23286.0	21489.0	24793.0	24883.7	28635.6
(B) Total plan expenditure	77000.0	79395.0	88100.0	86238.0	100100.0	99154.1	113500.0
(C) (A) as percentage of (B)	27.9	26.0	26.4	25.0	25.0	25.1	25.2
(D) GDP at current market prices (Rs. crore)	1936925	1936925	2104298	2104298	2296049	2296049	2451038
(E) A as percentage of GDP at current market prices\$	1.1	1.1	1.1	1.0	1.1	1.1	1.2

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

* JGSY and EAS discontinued and new scheme Sampoorna Grameen Rozgar Yojana (SGRY-I & SGRY-II) launched w.e.f Sept. 2001.

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

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

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

\$ Ratios to GDP at current market prices released by the Central Statistical Organization (CSO) GDP for 2002-03 is based on CSO's advance estimates.

@ Excluding PMGSY.

£ Scheme transferred to States from 2002-03.

Source : Budget documents.

**Table 10.3 : Total expenditure of general government on social services
(Combined Centre and States)**

Items	1986-	1990-	1995-	1996-	1997-	1998-	1999-	2000-	2001-	2002-
	87	91	96	97	98	99	00	01	02	03
	Actual									
	As % of GDP :									
Total expenditure	29.4	26.8	24.2	23.4	24.2	25.4	26.6	28.1	29.5	29.6
Social services	5.8	5.4	4.9	5	5.2	5.5	5.7	6.3	6.5	6.2
Education	2.9	3.1	2.7	2.7	2.8	3	3.3	3.1	3.1	3.1
Health	1.3	1.2	1	1	1.1	1.2	1.2	1.3	1.4	1.4
Others	1.6	1.2	1.2	1.3	1.3	1.3	1.2	1.8	2	1.8
	As % of total expenditure :									
Social services	19.6	20.3	20.4	21.5	21.4	21.6	21.3	22.4	22	20.9
Education	9.8	11.4	11.3	11.6	11.5	11.9	12.3	11.2	10.5	10.3
Health	4.4	4.3	4.3	4.5	4.6	4.6	4.4	4.8	4.8	4.6
Others	5.4	4.6	4.8	5.4	5.3	5	4.6	6.4	6.7	6
	As % of expenditure on social services									
Education	50	56	55	54	54	55	58	50	48	49
Health	23	21	21	21	21	22	21	21	22	22
Others	27	23	24	25	25	23	21	29	31	29

Note : 1. 'Health' includes Medical, Public Health, Family Welfare, Water Supply and Sanitation.

2. 'Others' includes other Social Services except Education and Health.

Source : RBI annual reports.

Box 10.1 : Millennium Development Goals to be achieved by 2015

Goals for development and poverty eradication set at the UN General Assembly in 2000 :

- (1) Eradicate extreme poverty and hunger:
 - Halve the proportion of people living on less than \$ 1 a day.
 - Halve the proportion of people suffering from hunger.
- (2) Achieve universal primary education
 - Ensure that children everywhere – boys and girls alike – complete a full course of primary education.
- (3) Promote gender equality and empower women
 - Eliminate gender disparities in primary and secondary education, preferably by 2005, and in all levels of education by 2015.
- (4) Reduce child mortality
 - Reduce infant and under-five mortality rates by two-thirds.
- (5) Improve maternal health
 - Reduce maternal mortality ratios by three-quarters.
- (6) Combat HIV/AIDS, malaria and other diseases.
 - Halt and begin to reverse the spread of HIV/AIDS
 - Halt and begin to reverse the incidence of malaria and other major diseases.
- (7) Ensure environmental sustainability
 - Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources.
 - Halve the proportion of people without sustainable safe drinking water.
 - Achieve, by 2020, a significant improvement in the lives of at least 100 million slum dwellers.
- (8) Develop a global partnership for development

Source : Human Development Report 2002 of UNDP.

Table 10.4 : India's global position on human and gender development

Country	HDI rank 2000	Human development index (HDI)		Gender development index (GDI)		Gender empowerment measure (GEM)	
		1992	2000	1992	2000	1992	2000
Norway	1	0.932	0.942	0.911	0.941	0.752	0.837
Australia	5	0.927	0.939	0.901	0.956	0.568	0.759
Sri Lanka	89	0.704	0.741	0.660	0.737	0.288	0.274
China	96	0.594	0.726	0.578	0.724	0.474	0.483 \$
Indonesia	110	0.637	0.684	0.591	0.678	0.362	0.362 @
India	124	0.439	0.577	0.401	0.560	0.226	0.240 @
Pakistan	138	0.483	0.499	0.360	0.468	0.153	0.176 @
Nepal	142	0.343	0.490	0.310	0.470	0.315	-
Bangladesh	145	0.364	0.478	0.334	0.468	0.287	0.223
Mozambique	170	0.246	0.322	0.229	0.307	0.350	0.428 @
Ethiopia	168	0.227	0.327	0.217	0.313	0.205	-
Niger	172	0.207	0.277	0.196	0.263	-	0.119 *

Note : \$ relates to HDR 1998 @ relates to HDR 1999 * relates to HDR 2000
Source : Human Development Report (HDR) 1995, 1999, 2001 and 2002.

The HDI is a composite of variables capturing attainments in three dimensions of human development viz, economic, education and health (Box10.2). The HDI for the country as a whole improved from 0.302 in 1981 to 0.472 in 2001 (Table 10.5). Kerala remains at the top of the NHDR table with an HDI of 0.638 in 2001 while Orissa is almost at the bottom of the list, with an index of 0.267 in 1981, 0.345 in 1991 and 0.404 in 2001. The HDI for Bihar has been the lowest with the HDI for 2001 registering an improvement over the earlier years. Amongst the north-eastern States, Mizoram had the highest HDI and Arunachal Pradesh the lowest, in 1991. States which have done well in terms of HDI in 2001 are Punjab (0.537), Tamil Nadu (0.531) and Maharashtra (0.523). The national index for

the rural areas between 1981 and 1991 has gone up from 0.263 to 0.340 and for urban areas from 0.442 to 0.511. The rural-urban gap was the minimum in case of Kerala and maximum for Madhya Pradesh in the early nineties.

10.8 The ongoing economic reforms have a human face and in pursuance of the commitment towards development of human resources and enhancement of human well being, additional resources for the social services sector are being allocated by the Government. Suitable targets for the reduction of poverty, hunger, mortality and illiteracy have also been incorporated in the Tenth Five Year Plan (2002-07).

Box 10.2 : HDI and GEI — Departures from UNDP Indices

UNDP-Indicators	Attainments	NHDR-Indicators
Life expectancy at birth	Longevity	Life expectancy at age 1 and Infant mortality rate
Adult literacy rate combined with enrolment ratio	educational attainment	Literacy rate 7 + and intensity of Formal Education
Real GDP per capita (PPP US \$)	economic attainment	Per capita real consumption expenditure adjusted for inequality; Worker-population ratio in the case of Gender Equality Index.

Source : National Human Development Report 2001, Planning Commission.

Table 10.5 : Human Development Index 1981, 1991 and 2001 (arranged in rank order of 1991)

Sl. No.	States/Union Territories	1981		1991		2001	
		Value	Rank	Value	Rank	Value	Rank
1	Chandigarh	0.550	1	0.674	1	n.e	
2	Delhi	0.495	3	0.624	2	n.e.	
3	Kerala	0.500	2	0.591	3	0.638	1
4	Goa	0.445	5	0.575	4	n.e.	
5	A & N Islands	0.394	11	0.574	5	n.e.	
6	Pondicherry	0.386	12	0.571	6	n.e.	
7	Mizoram	0.411	8	0.548	7	n.e.	
8	Daman & Diu	0.438	6	0.544	8	n.e.	
9	Manipur	0.461	4	0.536	9	n.e.	
10	Lakshadweep	0.434	7	0.532	10	n.e.	
11	Nagaland	0.328	20	0.486	11	n.e.	
12	Punjab	0.411	9	0.475	12	0.537	2
13	Himachal Pradesh	0.398	10	0.469	13	n.e.	
14	Tamil Nadu	0.343	17	0.466	14	0.531	3
15	Maharashtra	0.363	13	0.452	15	0.523	4
16	Haryana	0.360	15	0.443	16	0.509	5
17	Gujarat	0.360	14	0.431	17	0.479	6
18	Sikkim	0.342	18	0.425	18	n.e.	
19	Karnataka	0.346	16	0.412	19	0.478	7
20	West Bengal	0.305	22	0.404	20	0.472	8
21	Jammu & Kashmir	0.337	19	0.402	21	n.e.	
22	Tripura	0.287	24	0.389	22	n.e.	
23	Andhra Pradesh	0.298	23	0.377	23	0.416	10
24	Meghalaya	0.317	21	0.365	24	n.e.	
25	Dadra & Nagar Haveli	0.276	25	0.361	25	n.e.	
26	Assam	0.272	26	0.348	26	0.386	14
27	Rajasthan	0.256	28	0.347	27	0.424	9
28	Orissa	0.267	27	0.345	28	0.404	11
29	Arunachal Pradesh	0.242	31	0.328	29	n.e.	
30	Madhya Pradesh	0.245	30	0.328	30	0.394	12
31	Uttar Pradesh	0.255	29	0.314	31	0.388	13
32	Bihar	0.237	32	0.308	32	0.367	15
All India		0.302		0.381		0.472	

Note : n.e : No estimate was made for these States.

Source : Human Development Report 2001, Planning Commission.