

Social Sectors

The impact of the development strategy of the last two decades on social sector- a sector of high priority- as measured in indicators such as poverty, demographics, education and health indicate significant improvements. Yet there is a need to accelerate improvements in the quality of life and human well-being through enhanced availability of public services, and development of economic and social opportunities.

10.2 The need for rapid improvement in the social sector is manifest from India's rank of 127 among 175 countries in terms of the UNDP Human Development Index (HDI) with an HDI of 0.590 for the year 2001 (Table 10.1). The ranking however is down from 124 among 173 countries in 2000 partly because of a change in the composition of countries in the calculation for 2000 and 2001. The HDI measures the overall achievements in a country in three basic dimensions of human development – longevity and health, education

Box 10.1 : Major initiatives announced for social sector in 2003-04

- Antyodaya Anna Yojana expanded, from April 1, 2003, to cover an additional 50 lakh families raising the total coverage to more than a quarter of all BPL families in 2003-04.
- A community based Universal Health Insurance Scheme launched in July 2003.
- A special pension policy , Varishtha Pension Bima Yojana, guaranteeing an annual return of 9 per cent, in the form of a monthly pension scheme launched in July 2003.
- National Programme for Education of Girls at Elementary Level (NPEGEL) launched in 2003-04 for providing additional components for education of girls at elementary level.
- Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) designed with an objective, to provide AIIMS like institutions in six backward states of Bihar, Chattisgarh, Madhya Pradesh, Orissa, Rajasthan, and Uttaranchal.
- Unorganised sector workers' social security scheme launched in Jan., 2004 on a pilot basis in 50 districts in the country.

Table 10.1 : India's global position on human and gender development

Country	Human development index (HDI)		Gender development index (GDI)		Gender empowerment measures (GEM)	
	2001	1990	2001	1992*	2001	1992*
Norway	0.944	0.9	0.941	0.911	0.837	0.752
Australia	0.939	0.886	0.938	0.901	0.754	0.568
Sri Lanka	0.73	0.692	0.726	0.66	0.272	0.288
China	0.721	0.624	0.718	0.578	0.483@	0.474
Indonesia	0.682	0.619	0.677	0.591	0.362@	0.362
India	0.59	0.519	0.574	0.401	0.240@	0.226
Pakistan	0.499	0.44	0.469	0.36	0.414	0.153
Bangladesh	0.502	0.414	0.495	0.334	0.218	0.287
Nepal	0.499	0.413	0.479	0.31	N.A	0.315
Mozambique	0.356	0.317	0.341	0.229	0.428@	0.35
Niger	0.292	0.264	0.279	0.196	N.A	0.205

Source: UNDP Human Development Report (HDR) 1995 & 2003.

Note: @ relates to HDR 1999

* GDI & GEM were estimated for the first time for 1992.

and knowledge and a decent standard of living. The HDI and the Gender Development Index (GDI) have improved in the last decade, but these continue to be low compared to even some countries in the region.

10.3 Plan and Non-Plan expenditure of the Central Government for social services such as education, health, family welfare, water supply, housing, social welfare, nutrition, and rural development has more than doubled from Rs.11,631 crore in 1995-96 to Rs. 35,478 crore in 2003-04 (RE). As a ratio of total expenditure, the combined plan and non-plan expenditure of the Centre in the social sector rose from 10.2 per cent in 1995-96 to 11 per cent in 2003-04(RE). Expressed as a ratio of GDP at current market prices expenditure on social services increased from 1.5 per cent in 1995-96 to 1.9 per cent in 2003-04 (RE) (Table 10.2).

10.4 Most social sector programs in health, rural sanitation, education, and social welfare, are implemented by State Governments and require focused action at the State level. The Central Government has been supplementing efforts of the States through release of additional funds for specific programs. The Central Plan allocation has been enhanced for almost all segments of the social sectors. As per the Revised estimates of 2003-04, the actual expenditure in education and health increased by 19.4 per cent and 4.4 per cent respectively over 2002-03 (RE) (Table 10.3).

10.5 Trends witnessed in the total plan and non-plan expenditure on the social sectors by both Centre and States given in Table 10.4 indicate that there had been a continuous decline of the share of Social Sector in total expenditure since 2000-01.

Table 10.2 : Central Government expenditure (Plan and Non-Plan) on social sectors and rural development

(Rs. Crore)

Social Service	1995-96	2000-01	2001-02	2002-03	2003-04 (RE)
1. Social Services					
a. Education, Sports, Youth Affairs	3,630	7,696	8,642	9,045	11,063
b. Health & Family Welfare	2,542	5,291	5,977	6,075	6,846
c. Water Supply, Housing etc.	1,756	4,932	5,989	6,346	7,235
d. Information & Broadcasting	596	1,317	1,284	1,386	1,302
e. Welfare of SC/ST and OBC	800	968	1,093	1,117	1,164
f. Labour & Employment	507	894	847	777	841
g. Social welfare & Nutrition	1,270	2,409	2,620	2,089	2,203
h. North-Eastern areas				4,179	4,251
i. Other Social Services	530	1,715	2,010	1,330	573
Total	11,631	25,222	28,462	32,344	35,478
2. Rural Development	6,609	4,449	6,241	10,991	11,537
3. i) Pradhan Mantri Gramodaya Yojana (PMGY)@		2,350	2,533	2,600	2,766
ii) Pradhan Mantri Gram Sadak Yojana (PMGSY)@		2,500	2,500	2,230	2,329
4. Social Service, Rural Dev. and PMGY (1+2+3)	18,240	34,521	39,736	48,165	52,110
5. Total Central Government expenditure as percentage of GDP at current market prices	15.0	15.6	15.9	16.2	17.2
6. Social Service, Rural Dev. & PMGY as a percentage of Total Expenditure	10.2	10.6	11.0	12.0	11.0
7. Social Service, Rural Dev. and PMGY as a percentage of GDP at market price	1.5	1.7	1.7	2.0	1.9
Total Expenditure	1,78,275	3,25,592	3,62,310	4,00,396	4,74,255
@ : Launched in 2000-01 (BE) as a new initiative for basic rural needs.					
Source : Budget documents.					

Table 10.3 : Central plan outlay for major schemes of social sectors and rural development

(Rs. crore)

Ministry/Department	2000-01		2001-02		2002-03		2003-04	
	(BE)	(RE)	(BE)	(RE)	(BE)	(RE)	(BE)	(RE)
1 Education	5,449	4,950	5,920	5,570	7,025	6,242	7,025	7,450
of which								
a) Elementary education	3,609	3,150	3,800	3,575	4,302	4,067	4,667	5,217
b) Adult education	120	100	200	175	210	233	233	233
2 Health including Indian System of Medicine and Homoeopathy	1,378	1,250	1,553	1,418	1,700	1,480	1,700	1546
3 Family welfare	3,520	3,200	4,210	3,700	4,930	4,150	4,930	4,700
4 Women and Child Development of which Integrated Child Development Services	1,460	1,350	1,650	1,650	2,200	2,085	2,600	2,150
5 Welfare (Social Justice and Empowerment)	1,334	1,158	1,333	1,240	1,410	1,225	1,370	1,250
6 Rural Development and Rural Employment & Poverty Alleviation# of which	9,760	9,270	9,765	11,067	13,670	18,376	14,070	19,249
a) Jawahar Gram Samridhi Yojana (SGRY-II)*	1,650	1,494	1,650	1,875	2,220	3,993	2,063	2,063
b) Employment Assurance Scheme (SGRY-I)*	1,300	1,600	1,600	1,875	2,220	3,993	2,063	2,063
c) Food grain component of (SGRY)**	715	715	835	635	600	860	736	1,116 ^L
d) Special component of SGRY	-	-	-	-	0	11	39	4,889 ^{LL}
e) IRDP (Swarnajayanti Gram Swarozgar Yojana (SGSY)**	1,000	470	500	550	710	710	800	800
f) Rural water supply and sanitation	2,100	2,100	2,160	2,110	2,400	2,250	2,750	2,770
g) Rural housing (including Indira Awas Yojana)^	1,710	1,656	1,527	1,991	1,725	1,725	1,900	1,900
7 Other programmes								
a) Prime Minister's Rozgar Yojana (PMRY)	201	201	193	194	169	169	169	169
b) Swarna Jayanti Shahari Rozgar Yojana (SJSRY)@@	168	95	168	46	105	105	95	95
c) Accelerated Urban Water Supply Programme (AUWSP)	88	64	95	95	143	122	140	140
(A) Total Central plan outlay on major schemes on social sectors (1 to 7)	23,358	21,538	24,887	24,980	31,352	33,954	32,099	36,749
(B) Total plan expenditure	88,100	86,238	1,00,100	99,154	1,13,500	1,14,089	1,20,974	1,21,507
(C) (A) as percentage of (B)	26.5	25.0	24.9	25.2	27.6	29.8	26.5	30.2
(D) A as percentage of GDP at current market prices	1.1	1.0	1.1	1.1	1.3	1.4	1.16	1.3

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.
L Rs. 380.0 crore obtained through second batch of supplementary grants 2003-04.
LL Rs. 3,650.24 crore obtained through first batch and Rs. 1,199.75 crore obtained through second batch of supplementary grants 2003-04

Table 10.4 : Total expenditure of general government on social services (Combined Centre and States)							
Items	1986-87	1990-91	1995-96	2000-01	2001-02	2002-03(RE)	2003-04(BE)
Absolute Amounts in Rs. Crore							
Total Expenditure	1,00,470	1,63,673	3,03,586	5,95,598	6,52,928	7,51,950	8,23,642
Social Services	18,967	33,254	65,465	1,31,016	1,37,286	1,52,191	1,63,464
Education	8,650	17,093	35,289	65,718	68,071	74,709	80,987
Health	3,049	5,317	10,179	27,903	29,799	34,358	36,803
Others	7,268	10,844	19,997	37,395	39,417	43,124	45,673
As % of total expenditure							
Social Services	18.9	20.3	21.6	22.0	21.0	20.2	19.8
Education	8.6	10.4	11.6	11.0	10.4	9.9	9.8
Health	3.0	3.2	3.4	4.7	4.6	4.6	4.5
Others	7.2	6.6	6.6	6.3	6.0	5.7	5.5
As % of expenditure on social services							
Education	45.6	51.4	53.9	50.2	49.6	49.1	49.5
Health	16.1	16.0	15.5	21.3	21.7	22.6	22.5
Others	38.3	32.6	30.5	28.5	28.7	28.3	27.9
Source : Budget Documents of the Centre and the State Governments							