

# SOCIAL SECTORS

Growth with social justice and alleviation of poverty have been primary objectives of Indian planning since its inception in 1951. Several anti-poverty measures also have been in operation for decades focussing on the poor as the target groups. These include programmes for the welfare of weaker sections, women and children, and a number of special employment programmes for self and wage employment in rural and urban areas.

2. The government has relied mainly on three approaches for reduction of poverty and unemployment: the first entails pursuit of higher economic growth which will improve the levels of living of all groups of people in the society including the poor; the second involves direct anti-poverty and employment programmes; and the third has stressed high priority to government expenditure on social sectors. The reforms underway since the economic crisis of 1991 have sought to strengthen these approaches.

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

Item	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98 (RE)	1998-99 (BE)
<b>1. Social Services</b>	<b>5380</b>	<b>5892</b>	<b>6397</b>	<b>8150</b>	<b>9223</b>	<b>11631</b>	<b>13659</b>	<b>16520</b>	<b>21159</b>
a. Education, Art & Culture and Youth Affairs	1686	1755	1878	2378	2799	3630	3988	5134	6535
b. Health and Family Welfare	1273	1382	1722	2148	2413	2542	2751	3369	4366
c. Water supply, Sanitation, Housing and Urban Development	828	934	788	1262	1351	1756	2957	3449	4495
d. Information and Broadcasting	436	417	371	392	479	596	593	896	923
e. Welfare of SC / ST and other Backward classes	348	419	488	564	744	800	833	728	1101
f. Labour, Employment and Labour Welfare	289	357	347	526	440	507	587	651	831
g. Social Welfare & Nutrition	520	628	803	880	997	1800	1950	2293	2908
<b>2. Rural Development</b>	<b>2678</b>	<b>2283</b>	<b>3211</b>	<b>4680</b>	<b>5803</b>	<b>6609</b>	<b>5081</b>	<b>5321</b>	<b>5890</b>
<b>3. Basic Minimum Services (BMS)* including Slum development</b>							<b>2466</b>	<b>2873</b>	<b>3760</b>
<b>4. Social Services, Rural Development and Basic Minimum Services (1+2+3)</b>	<b>8058</b>	<b>8175</b>	<b>9608</b>	<b>12830</b>	<b>15026</b>	<b>18240</b>	<b>21206</b>	<b>24714</b>	<b>30809</b>
<b>5. Total Central Government Expenditure as % of GDP at current market prices</b>	<b>18.1</b>	<b>16.6</b>	<b>16.0</b>	<b>16.2</b>	<b>15.5</b>	<b>14.6</b>	<b>14.3</b>	<b>15.0</b>	<b>15.1</b>
<b>6. Social Services, Rural Development and Basic Minimum Services as % of Total Expenditure</b>	<b>7.7</b>	<b>7.3</b>	<b>7.8</b>	<b>9.0</b>	<b>9.3</b>	<b>10.2</b>	<b>10.5</b>	<b>10.5</b>	<b>11.5</b>
<b>7. Social Services, Rural Development and Basic Minimum Services as % of GDP at current market prices\$</b>	<b>1.4</b>	<b>1.2</b>	<b>1.3</b>	<b>1.5</b>	<b>1.4</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>

Note : Figures for the years 1990-91 to 1996-97 are actuals.

\* : Came into operation from 1996-97.

\$ : The ratios to GDP are based on new series of National Account Statistics with 1993-94 as base year released by the Central Statistical Organisation (CSO) on February 3, 1999. For the purpose of comparability, GDP at current market prices for the years 1990-91, 1991-92 and 1992-93 have been interpolated by using an average link factor of 1.0878 obtained from the overlapping years viz. 1993-94, 1994-95, 1995-96 and 1996-97 for which both the old series and new series for the GDP at current market prices are available.

Source : Budget Papers.

TABLE 10.2

## Central Plan Outlay for Major Schemes of Social Sectors and Rural Development

(Rs. crore)

Ministry/Department/Scheme	1990-91		1995-96		1996-97		1997-98		1998-99
	(BE)	(RE)	(BE)	(RE)	(BE)	(RE)	(BE)	(RE)	(BE)
<b>1 EDUCATION</b>	<b>865</b>	<b>837</b>	<b>1825</b>	<b>2504</b>	<b>3388</b>	<b>2574</b>	<b>4095</b>	<b>3350</b>	<b>4245</b>
of which									
a) Elementary Education	265	224	651	1443	2264	1567	2542	2265	2779
b) Adult Education	96	131	234	170	225	112	127	81	94
<b>2 HEALTH INCLUDING I. S. M. &amp; H.</b>	<b>275</b>	<b>255</b>	<b>670</b>	<b>649</b>	<b>815</b>	<b>818</b>	<b>955</b>	<b>918</b>	<b>1195</b>
<b>3 FAMILY WELFARE</b>	<b>675</b>	<b>785</b>	<b>1581</b>	<b>1506</b>	<b>1535</b>	<b>1547</b>	<b>1829</b>	<b>1829</b>	<b>2489</b>
<b>4 WOMEN AND CHILD DEVELOPMENT</b>	<b>330</b>	<b>313</b>	<b>730</b>	<b>821</b>	<b>847</b>	<b>847</b>	<b>900</b>	<b>1026</b>	<b>1226</b>
of which									
Integrated Child Development Services	268	255	588	669	682	682	734	600	603
<b>5 WELFARE</b>	<b>364</b>	<b>366</b>	<b>890</b>	<b>890</b>	<b>890</b>	<b>890</b>	<b>1389</b>	<b>804</b>	<b>1539</b>
<b>6 RURAL DEVELOPMENT AND RURAL EMPLOYMENT &amp; POVERTY ALLEVIATION</b>	<b>3130</b>	<b>2975</b>	<b>7700</b>	<b>8248</b>	<b>8632</b>	<b>7775</b>	<b>9001</b>	<b>8290</b>	<b>9811</b>
of which									
a) Jawahar Rozgar Yojana (JRY).	2100	2001	3862	2955	1865	1655	2078	1953	2095
b) Employment Assurance Scheme (EAS)*			1570	1816	1970	1840	1970	1905	1990
c) National Social Assistance Programme+				550	932	550	700	490	700
d) Integrated Rural Development Programme including Rural Artisans	377	356	656@	656	656	646	611	552	800
e) Rural Water Supply and Sanitation	443	421	1170	1170	1170	1155	1402	1402	1727
f) Indira Awas Yojana ++				492	1194	1194	1190	1144	1600
g) Million Wells Scheme ++				211	448	388	448	373	450
<b>7 OTHER PROGRAMMES</b>									
a) Nehru Rozgar Yojana (NRY).	120	110	71	68	71	50	80	31	
b) Scheme for Self Employment for Educated Unemployed Youth (SEEUY).\$	57	53	-						
c) Prime Minister's Rozgar Yojana (PMRY).			145	145	145	115	145	95	110
d) Swarna Jayanti Shahari Rojgar Yojana (SJSRY)@@								103	189
<b>(A) Total Central Plan outlay on Major Schemes on Social Sectors (1 to 7)</b>	<b>5816</b>	<b>5694</b>	<b>13612</b>	<b>14831</b>	<b>16323</b>	<b>14616</b>	<b>18394</b>	<b>16446</b>	<b>20804</b>
<b>(B) Total Plan Expenditure</b>	<b>30466</b>	<b>29956</b>	<b>48500</b>	<b>48684</b>	<b>54685</b>	<b>54894</b>	<b>62852</b>	<b>60630</b>	<b>72002</b>
<b>(C) A as percentage of Total Plan Expenditure</b>	<b>19.1</b>	<b>19.0</b>	<b>28.1</b>	<b>30.5</b>	<b>29.8</b>	<b>26.6</b>	<b>29.3</b>	<b>27.1</b>	<b>28.9</b>
<b>(D) A as Percentage of GDP at current market prices\$\$</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.0</b>	<b>1.2</b>	<b>1.1</b>	<b>1.2</b>

\* Came into operation on October 2, 1993.

+ The scheme was announced on 15th August 1995, Rs. 550 Crore was provided at RE stage.

@ BE (Rs 640 crore) was revised upward within total BE for the Deptt. of Rural Development.

++ The Indira Awas Yojana (IAY) and the Million Wells Scheme (MWS) were earlier the sub schemes of JRY. From 1.1.1996 they have become separate schemes.

\$ Integrated with PMRY.

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

\$\$ : The ratios to GDP are based on new series of National Account Statistics with 1993-94 as base year released by the Central Statistical Organisation (CSO) on February 3, 1999. For the purpose of comparability, GDP at current market prices for 1990-91 has been interpolated by using an average link factor of 1.0878 obtained from the overlapping years viz. 1993-94, 1994-95, 1995-96 and 1996-97 for which both the old series and new series for the GDP at current market prices are available.

Source : Budget Papers.

3. The Central government expenditure on social sectors (comprising education, health & family welfare, water supply, sanitation, housing, social welfare, nutrition, rural employment and minimum basic services) as a ratio to total expenditure increased from 7.7 per cent in 1990-91 to 10.5 per cent in 1997-98 (RE) and further to 11.5 per cent in 1998-99 (BE). As a ratio to the GDP at current market prices, the central government expenditure on social services increased from 1.4 per cent in 1990-91 to 1.6 per cent in 1997-98 (RE) and further to 1.7 per cent in 1998-99 (BE) (Table 10.1).

4. The Central plan outlay on major schemes on Social Sectors as a percentage to the GDP at current market prices increased from 1.0 per cent in 1990-91 to 1.2 per cent in 1998-99(BE) (Table 10.2). The central outlay for Welfare of Weaker Sections increased by 91.4 per cent in 1998-99(BE) over 1997-98(RE), Family Welfare by 36.1 per cent, Health by 30.2 per cent and Education by 26.7 per cent.

5. Increased availability of health care and family welfare services have resulted in reduction of all India death rate, birth rate and infant mortality rate. The crude death rate declined from 14.9 per thousand in 1971 to 9.8 in 1991 and further to 8.9 in 1997. Similarly, the infant mortality rate per thousand declined from 129 in 1971 to 80 in 1991 and further to 71 in 1997. The birth rate per thousand also declined from 36.9 in 1971 to 29.5 in 1991 and further to 27.2 in 1997 (Table 10.3). These tentative trends are consistent with the view that rapid

Year	Life expectancy at birth (years)	Literacy rate (per cent)	Birth rate	Death rate		infant mortality rate
				(per thousand)		
1951	32.1	18.3	39.9	27.4	146	
1961	41.3	28.3	41.7	22.8	146	
1971	45.6	34.5	36.9	14.9	129	
1981	50.4	43.6	33.9	12.5	110	
1991	59.4	52.2	29.5	9.8	80	
1996	62.4	NA	27.5	9.0	72	
1997	NA	62*	27.2	8.9	71	

Source : Registrar General and Census Commissioner of India.  
\* As per NSSO.

economic growth has brought about an improvement in living standards of people in general.

6. However, there are wide inter-state variations in indicators of human development. For instance, in Kerala the life expectancy at birth at 72 years and overall literacy at 90 are significantly higher than those in states like Bihar, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh where concerted efforts are required to improve overall quality of life. In fact the indicators of human development in Kerala are comparable with several Asian developing countries like China, Malaysia, Indonesia, Thailand and Sri Lanka which have made significant progress in human development over the years (Table 10.4).

Country	Life Expectancy at birth (Years)	Infant Mortality rate (Per thousand births)	Adult Literacy rate (Per cent)
	1995	1996	1995
India	62.4	72	52
Kerala State (India)	72.0	13	90
China	69.2	38	82
Indonesia	64.0	47	84
Korea, Republic	71.7	6	98
Malaysia	71.4	11	84
Philippines	67.4	32	95
Thailand	69.5	31	94

Source: UNDP – Human Development Report, 1998.  
For India, estimates are from Registrar General & Census Commissioner of India & relate to the year 1996 (P).

7. Average real wages for unskilled agricultural labour, which reflect the economic conditions of agricultural labourers, declined by 6.2 per cent in the crisis year of 1991-92 (agriculture year July to June) for the country as a whole, but increased in subsequent years except in 1994-95 (Table 10.5). However, there were no uniform trends across the states implying that local conditions exert significant influence on agriculture wages.

**TABLE 10.5**  
**Annual Percentage Change in Real Wages for Unskilled Agricultural Labour for Selected States**

State	Percentage Change for agricultural year (July to June) over previous year							
	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97(P)	1997-98(P)	
Andhra Pradesh	(-) 11.40	(+) 1.57	(+) 8.60	(+) 2.71	(-) 1.73	(+) 1.51	(+) 1.40	
Assam	(-) 8.73	(+) 0.58	(-) 6.58	(-) 1.67	(+) 2.68	(+) 2.95	(+) 0.93	
Bihar	(-) 4.39	(-) 5.00	(+) 5.98	(+) 1.69	(-) 2.30	(-) 2.79	(-) 0.79	
Gujarat	(-) 4.31	(+) 7.92	(+) 2.86	(+) 1.27	(+) 2.92	(+) 5.08	(+) 14.52	
Karnataka	(-) 13.25	(-) 14.39	(+) 41.31	(-) 15.60	(-) 8.61	(+) 21.48	(+) 15.22	
Kerala	(+) 4.07	(+) 9.74	(-) 2.84	(+) 5.24	(+) 13.20	(+) 14.60	(+) 15.34	
Madhya Pradesh	(-) 3.89	(+) 12.57	(-) 3.53	(+) 4.93	(+) 1.24	(+) 1.31	(+) 0.96	
Maharashtra	(-) 14.79	(+) 0.66	(+) 25.58	(-) 0.68	(-) 7.89	(-) 7.98	(+) 31.73	
Orissa	(-) 3.89	(+) 11.03	(-) 0.14	(-) 3.52	(+) 0.55	(-) 0.27	(+) 2.56	
Punjab	(+) 3.65	(+) 4.25	(+) 1.51	(-) 1.17	(-) 6.50	(-) 0.42	(-) 3.35	
Rajasthan	(+) 6.12	(-) 3.56	(-) 7.66	(+) 1.05	(+) 10.33	(+) 17.81	(+) 3.78	
Tamil Nadu	(-) 4.85	(+) 13.29	(+) 11.60	(+) 1.03	(+) 3.63	(+) 28.05	(-) 16.67	
Uttar Pradesh	(+) 1.02	(+) 7.56	(-) 6.77	(-) 2.31	(+) 14.78	(-) 6.37	(+) 18.29	
West Bengal	(-) 6.25	(+) 24.39	(-) 6.50	(-) 5.29	(-) 0.28	(+) 10.21	(-) 5.16	
<b>All India</b>	<b>(-) 6.19</b>	<b>(+) 5.21</b>	<b>(+) 5.61</b>	<b>(-) 0.39</b>	<b>(+) 0.72</b>	<b>(+) 4.67</b>	<b>(+) 4.88</b>	

(P) : Provisional.

Notes : (i) Data on state average wage rates for unskilled agricultural labour in current prices are taken from Ministry of Agriculture. The same have been converted into real wages by deflating with the State level Consumer Price Index Numbers for Agricultural Labourers (CPIAL) with 1960-61 as base. (CPIAL has been sourced from Labour Bureau, Shimla). Having estimated real wages for agricultural year percentage change over previous year has been worked out.

(ii) New series of CPIAL with base 1986-87 = 100 were released w.e.f. Nov., 1995. To maintain continuity of old series of CPIAL, the new series have been converted by using the linking factor of each State and then, the average for each State has been worked out on the basis of converted series.

(iii) The real wages for unskilled agricultural labour for each State have been weighted by total agricultural labourers of the State for working out all India average. The weighted average real wages for all India are based on 14 States as reported above. Having estimated weighted average real wages for all India, percentage change over previous year has been worked out.

Source: Ministries of Agriculture and Labour.