

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:510
ANSWERED ON:22.11.2000
BELOW POVERTY LINE
INDRAJIT GUPTA;PAWAN KUMAR BANSAL

Will the Minister of PLANNING be pleased to state:

(a) Whether the Government are aware to the controversy over the calculation of level of poverty in the country by various national and international agencies; and

(b) if so, the details of the people living below poverty line as per the estimates of various agencies both in rural and urban areas respectively and Government's reaction thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING, PROGRAMME IMPLEMENTATION, ADMINISTRATIVE REFORMS, PUBLIC GRIEVANCES AND DISINVESTMENT (SHRI ARUN SHOURIE)

(a) and (b) : Different approaches have been adopted to calculate poverty. As a result, the estimates of poverty made by various national and international agencies differ due to the difference in methodology adopted. Some of the estimates of poverty made by national and international agencies are given below.

i) World Bank: In 1994, 36.7% in rural areas, 30.5% in urban areas and 35% for the country as a whole. For the country as a whole, 34% in 1997. In 1997, 44.2% of the population lived below the poverty line of one U.S. Dollar a day and 86.2% of the population lived below the poverty line of two U.S. Dollar a day.

ii) National Council of Applied Economic Research, New Delhi: 39% in rural areas in 1994.

iii) A study conducted in the Indian Statistical Institute, and published by the then Department of Statistics, Ministry of Planning estimated poverty ratios under alternative poverty lines. The poverty ratios in 1993-94 ranged from 30.29% to 42.70% in rural areas, 24.08% to 33.84% in urban areas and 28.75% to 40.26% for the country as a whole.

iv) The official estimate of poverty ratio made by the Planning Commission for 1993-94 is 37.27% in rural areas, 32.36% in urban areas and 35.97% for the country as a whole.