

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:2758

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INCOME DISPARITY BETWEEN URBAN AND RURAL PEOPLE

Mehta Shri Alok Kumar;Paswan Shri Sukdeo;Singh Shri Manik;Yadav Shri Ram Kripal

Will the Minister of PLANNING be pleased to state:

- (a) whether there is a big gap between the per capita income of the urban and the rural people in the country;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the steps taken by the Government to remove the disparity?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI V. NARAYANASAMY)

(a) : According to the information available from Central Statistical Organisation (CSO), Ministry of Statistics and Programme Implementation, Government of India, the per capita income measured in terms of Net Domestic Product (NDP) at factor cost was Rs. 10606 and Rs.30217 respectively for the rural and urban areas in 1999-2000, at current prices. As per this, the per capita income in urban areas was 2.85 times higher than in the rural areas in 1999-2000. No information giving the rural-urban differences in income level is available after 1999-2000.

(b) : The gap in the per capita income between rural and urban areas result from varying factors such as differences in resource endowment, historical and geographical factors, availability of infrastructure, etc.

(c) : The Eleventh Five Year Plan has set the growth target for the economy at 9% per year for the plan period (2007-12) and aims at putting the economy on a sustainable growth trajectory with a growth of approximately 10% by the end of its period. The Government has given priority to agriculture and rural development with a view to generating adequate productive employment and increasing the income of rural population. Besides, a number of programmes/schemes have been formulated in the Eleventh Plan to improve the level of living and quality of life of the rural population. These measures are expected to increase the income levels in the rural areas and reduce the disparity in the per capita income between rural and urban areas.