GOVERNMENT OF INDIA PLANNING LOK SABHA

UNSTARRED QUESTION NO:1053
ANSWERED ON:03.03.2010
ESTIMATION OF POVERTY
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Will the Minister of PLANNING be pleased to state:

- (a) whether there is difference of opinion regarding the estimation of poverty by Tendulkar Committee, figures of the States, Saxena committee and figure given by the Centre as reported in the media;
- (b) if so, whether Union Government is not aware about the exact number of poor people in the country; and
- (c) if so, the remedial steps taken or being taken by the Government in this regard?

Answer

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

(a) to (c): Planning Commission is the nodal agency in the Government of India to estimate poverty at the national and State level. The methodology for estimation of poverty is reviewed from time to time. As a part of this process, the Planning Commission constituted an Expert Group in December 2005 under the chairmanship of Prof. Suresh D. Tendulkar to review the methodology for estimation of poverty. The Expert Group submitted its report on the 8th December, 2009 and recommended the need to move away from anchoring the poverty lines to the calorie intake norms which was being followed on the recommendations of the Lakdawala Committee. The Tendulkar Committee has recommended the Mixed Recall Period (MRP) equivalent of urban Poverty Line Basket (PLB) corresponding to 25.7% urban head count ratio as the new reference PLB. On the basis of the above methodology, the all-India poverty head count ratio for 2004-05 is estimated at 37.2% as against 27.5% on the basis of the Lakdawala Committee. However, the poverty estimates worked out by the Tendulkar Committee are not comparable to the poverty estimates of the Planning Commission for the year 2004-05 as they are based on different methodologies.

The Ministry of Rural Development conducts Below Poverty Line Census (BPL Census) to identify the individual households below the poverty line in the rural areas while ensuring that the total number of such household corresponds to the poverty estimates of the Planning Commission. The Ministry of Rural Development constituted an Expert Group under the chairmanship of Dr. N.C. Saxena for recommending a suitable methodology for identification of the BPL households in the rural areas. It recommended to assume the all-India poverty head count ratio as 50%.