

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:314

ANSWERED ON:23.11.2011

INCOME AND POVERTY

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Will the Minister of PLANNING be pleased to state:

- (a) whether the income of the common people of the country has increased to around 35% during the last three years of the Eleventh Five Year Plan;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether it is a fact that the number of poor people in the country has decreased to only 5%, during the above period;
- (d) if so, the details thereof; and
- (e) the reasons for difference between enhancement of the said income and the decrease in the number of poor people in the country?

Answer

MINISTER OF STATE FOR PLANNING, SCIENCE & TECHNOLOGY AND EARTH SCIENCES (DR. ASHWANI KUMAR)

(a) & (b): Statistics on income of the common people is neither compiled nor maintained in the Planning Commission. However, the per capita income of the people in the country measured by per capita Net National Income (NNI) at constant (2004-05) prices has increased by 20% during the first three years of the Eleventh Five Year Plan. This is due to expansion in the economic performance of the country that is higher than the rate of population growth.

(c) & (d): Planning Commission, being the nodal agency to estimate poverty, computes the Head Count Poverty Ratio once in every five years approximately on the basis of the data on Monthly Per Capita Consumption Expenditure (MPCE) obtained from Large Sample Survey on Household Consumption Expenditure conducted by National Sample Survey Office (NSSO). As per the latest estimates, the Head Count Poverty Ratio for the year 2004-05, at all India level is 37.2%. As regards the poverty estimates for the period under reference, the Planning Commission is in the process of estimating the poverty ratio for the year 2009-10 on the basis of NSS (2009-10) data on Household Consumer Expenditure, which are now available.

(e): Decline in poverty is driven by two important factors namely increase in per capita income and decline in income inequality to ensure which the Government has taken a series of measures.