GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:3366
ANSWERED ON:25.04.2012
CRITERIA FOR IDENTIFYING POOR
Hegde Shri Anant Kumar;Vardhan Shri Harsh

Will the Minister of PLANNING be pleased to state:

(a) whether it is a fact that the present criteria fixed for identification of poor in the country are found to be confusing;

(b) if so, the reaction of the Government in this regard;

(c) whether it is also a fact that the gap between rich and poor in the country has increased in recent years; and

(d) If so, the assessment made regarding this increase about the above gap during the last decade and the reasons for this increase?

Answer

MINISTER OF STATE FOR PLANNING, SCIENCE & TECHNOLGY ANDEARTH SCIENCES (DR. ASHWANI KUMAR)

(a)&(b): No, Sir. Following international best practices, identification of poor is based on proxy deprivation indicators suggested by the Expert Group constituted by the Ministry of Rural Development under the Chairmanship of Dr. N. C. Saxena to advise the Ministry on the methodology for conducting the BPL census for the Eleventh Five Year Plan. The Expert Group submitted its report in August, 2009. Based on the suggestions/ recommendations of the Expert Group and consultations with the State Governments/ UT Administration and other stakeholders, the Government decided to collect information on socio-economic indicators.

A Socio Economic Caste Census (SECC 2011) is underway to identify the people Below Poverty line (BPL) based on a self-declaration of respondents in response to the criteria
(Annexure-I) finalized for the survey by the Ministry of Rural Development.
In urban areas, poverty is to be identified through identification of specific vulnerabilities covering three broad categories namely, residential, occupational and social. Annexure-II gives the details.

Government has since decided to set up a Technical Group to revisit the methodology for estimation of poverty and identification of poor taking into account multiple dimensions and indicators of poverty so that the poor and deprived households can obtain the benefit of different government programmes and schemes. The composition of the Technical Group and its terms of reference are being finalized.

(c) & (d): National Sample Survey Office (NSSO) has released the key results of the Household Consumption Survey covering the period July, 2009 to June, 2010 in the document titled "Key Indicators of Household Consumer Expenditure in India 2009-2010." The report compiles the Monthly Per Capita Consumption Expenditure (MPCE) - for rural and urban areas separately in terms of decile class of MPCE. On the basis of the data contained in the survey report, the ratio of MPCE of top 20% to bottom 20% of the population is estimated to be 6.7% for the urban areas and

4.2 % for rural areas in the year 2009-10 as against the corresponding figure of 6.3% and 4.1% respectively in the year 2004-05. The level of consumption expenditure for all groups of population has increased during the period 2004-05 to 2009-10, but the increase in expenditure level of top 20% of the population is comparatively high.

Reduction in income disparities and upliftment of the socio-economic conditions of people of low-income households has always been the priority of the Government's development policy. The strategy has been to generate employment opportunities in rural & backward areas and also to develop infrastructure to bring a tangible improvement in the income and standard of living of the people. The Government implements a number of poverty alleviation programmes such as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Swarnajayanti Gram Swarozgar Yojana (SGSY), Indira Awaas Yojana (IAY), Jawaharlal Nehru National Urban Renewable Mission (JNNURM), Swarna Jyanti Shahri Rozgar Yojana (SJSRY), etc. intended to enhance income, mitigate poverty and improve the living standards of the people.

Annexure − I

LOK SABHA UNSTARRED QUESTION NO. 3366 TO BE ANSWERED ON 25.04.2012 on 'CRITERIA FOR IDENTIFYING POOR' IN RURAL AREAS BASED UPON RECOMMEDATIONS OF N.C. SAXENA REPORT, AUGUST 2009 AS FINALISED WITH MODIFICATIONS BY THE MINISTRY OF RURAL DEVELOPMENT.

1. List of Automatic Exclusions: The following are the criteria for automatic exclusions:-

(i). Households owning Motorized Two/Three/Four Wheelers/Fishing boats (which require registration);

(ii). Households owning mechanized Three/Four wheeler agricultural equipments such as tractors, harvesters etc;

(iii). Households having Kisan Credit Card with the credit limit of Rs.50,000 and above;

(iv). Households with any member as Government Employee: gazetted and non-gazetted employees of Central government, State government, Public Sector Undertakings, Government-aided autonomous bodies and local bodies. This will exclude incentive and other honorarium based workers;

(v). Households with Enterprises registered with the Government for any purpose: any non agricultural enterprise registered with the Central or State Governments;

(vi). Households with any member in the family earning more than Rs. 10,000 p.m.;

(vii). Households paying income tax or professional tax;

(viii). Households with three or more rooms with pucca walls and pucca roof;
(ix). Households owning Refrigerator;

(x). Households owning landline phones;

(xi). Households owning 2.5 acres or more irrigated land with at least one irrigation equipment such as diesel/ electric operated bore well/ tubewell;

(xii). 5 acres or more land irrigated for two or more crop seasons;

(xiii). Households owning 7.5 acres or more land with at least one irrigation equipment such as diesel/ electric operated borewell / tubewell;

2. List of Automatic Inclusions: Following categories of households would be compulsorily included subject to exclusion criteria.
(i). Households without shelter;

(ii). Destitutes/living on alms;

(iii). Manual scavengers;

(iv). Primitive Tribal Groups;

(v). Legally released bonded labourers;
3. Deprivation Indicators: The following are the deprivation indicators used for inclusion:-
(i). Households with only one room with kucha walls and kucha roof;

(ii). Households with no adult member between age 16 to 59;

(iii). Female headed households with no adult male member between age 16 to 59;

(iv). Households with any disabled member and no able bodied adult member;

(v). SC/ST households;

(vi). Households with no literate adult above 25 years;
(vii). Landless households deriving the major part of their income from manual casual

Annexure − II

LOK SABHA UNSTARRED QUESTION NO. 3366 TO BE ANSWERED ON 25.04.2012 on 'CRITERIA FOR IDENTIFYING POOR' IN URBAN AREAS AS BASED ON INTERIM RECOMMENDATIONS OF HASHIM COMMITTEE TO GOVERNMENT OF INDIA IN MAY, 2011

Categories of vulnerabilities:

1. Residential Vulnerability: The following categories of households are defined as 'residentially vulnerable' i.e. houseless population, persons living in Kuchha/temporary houses, where usage of dwelling space (whether ownership-based or rented accommodation) is susceptible to insecurity of tenure, and households are affected by the deprivation of access to basic civic services.

2. Occupational Vulnerability: The following categories of households could be classified as occupationally vulnerable: persons unemployed for a significant proportion of time and/or the duration of his/her employment is uncertain or irregular; persons engaged in informal/casual, low-end occupations with low and uncertain wages/earnings; persons whose employment is subject to unsanitary, unhealthy and hazardous work conditions, oftentimes bounded/semi-bounded in nature or undignified and oppressive in the

conditions of labour, etc., and finally, persons occupationally vulnerable on the basis of stability/nature/periodicity of payment.

3. Social Vulnerability: The following categories of households could be classified as occupationally vulnerable: female-headed households, minor- headed households, old age in terms of dependency on the head of household, and education in terms of level of literacy, health in terms of disabilities and/or chronic illnesses.