

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

STARRED QUESTION NO:234

ANSWERED ON:13.03.2013

ECONOMIC DISPARITY

Joshi Dr. Murlī Manohar, Mahendrasinh Shri Chauhan

Will the Minister of PLANNING be pleased to state:

(a) whether as per the report by S.R. Hashim Panel/Committee, constituted by the Planning Commission, the economic disparity among people has widened since the introduction of the neo-liberal economic reforms;

(b) if so, the details thereof along with the reaction of the Government thereto;

(c) whether the Government proposes to review the liberal economic policies being followed by the country and if so, the details thereof and if not, the reasons therefor; and

(d) the measures taken/proposed to be taken to bring down the economic inequality amongst the people?

Answer

MINISTER OF STATE FOR PARLIAMENTARY AFFAIRS & PLANNING (SHRI RAJEEV SHUKLA)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 234 RAISED BY DR. MURLI MANOHAR JOSHI AND DR. MAHENDRASINH P. CHAUHAN REGARDING "ECONOMIC DISPARITY" FOR ANSWER ON 13th MARCH, 2013.

(a) & (b) The Planning Commission constituted an Expert Group under the Chairmanship of Professor S.R. Hashim to recommend the detailed methodology for identification of families living Below Poverty Line in the urban areas. In its report, the Expert Group observed, inter-alia, that increase in inequality in consumption expenditure during 2004-05 and 2009-10 in urban areas was higher than that in rural areas. International experience suggests that the inequalities tend to increase in the early phase of development. However, because of sound economic fundamentals, the high rate of economic growth that India witnessed recently has enormously improved the capacity to make a decisive impact on the quality of life of the masses, especially the poor and the marginalized.

(c) & (d) The 12th Five Year Plan (2012-17) proposes to improve the standard of life for each citizen and accordingly focuses on 'Faster, Sustainable, and More Inclusive Growth'. Reduction of economic disparities has always been the priority of the Government's development policy. The strategy has been to generate employment opportunities in rural areas, develop rural infrastructure, provide better access to health, education, drinking water, sanitation, etc. in order to bring a tangible improvement in standard of living and quality of life of the rural masses. The Government has launched a number of programmes towards this end. Some of the major programmes include: Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), National Rural Livelihood Mission (NRLM), Indira Awas Yojana (IAY), Prime Minister's Rozgar Yojana (PMRY), National Rural Health Mission (NRHM), Integrated Child Development Services (ICDS) Scheme, Sarva Shiksha Abhiyan (SSA), Mid Day Meal Scheme (MDMS) and social security measures like National Social Assistance Programme (NSAP), Rashtriya Swasthaya Bima Yojana (RSBY) etc. The combined impact of growth and re-distribution has improved the levels of living and quality of life of the people. This is reflected in the decline in the poverty ratio by 1.5 percentage points per year during the five years 2004-05 to 2009-10 as compared to 0.7 percentage points per year during the eleven years 1993-94 to 2004-05.