

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:563

ANSWERED ON:07.08.2013

DISPARITY AMONG PEOPLE

Joshi Dr. Murli Manohar;Nagar Shri Surendra Singh;Yadav Shri Dinesh Chandra

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government is aware that the benefits of the development schemes are not reaching the majority of citizens;
- (b) if so, the details thereof;
- (c) whether crores of people in the country live on a few rupees a day and if so, the details thereof;
- (d) whether there is huge disparity in per capita consumption among the people in the country;
- (e) if so, the details thereof and the reaction of the Government thereto; and
- (f) the time frame set to bridge the above difference?

Answer

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

(a) & (b): As per the estimates of Planning Commission, the percentage of people living below the poverty line was 37.2% in 2004-05 and reduced to 21.9% in 2011-12. The number of poor has declined from 407 million in 2004-05 to 270 million in 2011-12. Therefore, the percentage of people below the poverty line reduced by 2.2% points per year during the seven year period from 2004-05 to 2011-12 and resulted in a decline of number of poor by 137 million during the same period. It shows that the benefits of development schemes are reaching to the majority of the citizens as number of people in poverty has reduced over the years.

(c): As per the latest Large Sample Survey on Household Consumer Expenditure carried out by the National Sample Survey Office (NSSO) in its 68th round, 2011-12, the average Monthly Per Capita Expenditure (MPCE) in different fractile classes of the population in rural and urban areas is given in the table below. These are based on the modified mixed reference period (MMRP) consumption expenditure.

Average Monthly Per Capita Expenditure by Fractile Groups of the Population (Rs.)

Fractile Group	Rural	Urban
0-5%	521.44	700.5
5-10%	665.84	908.92
10-20%	783.24	1118.09
20-30%	904.57	1362.69
30-40%	1017.8	1624.86
40-50%	1135.97	1887.65
50-60%	1266.08	2180.52
60-70%	1426.76	2547.94
70-80%	1645.36	3062.85
80-90%	2007.46	3892.6
90-95%	2556.33	5350.06
95-100%	4481.18	10281.84
All classes	1429.96	2629.65

Source: Key Indicators of Household Consumer Expenditure in India 2011-12, National Sample Survey Office, Ministry of Statistics and Programme Implementation, Government of India, June 2013, TableT3, p-11.

(d) to (f) : The disparities in the class distribution of consumption expenditure, measured by the Lorenz ratio from the National Sample Survey data on consumer expenditure of the 68th Round (July 2011 to June 2012) show that the inequality (Lorenz Ratio) is 0.28 in the rural areas and 0.37 in the urban areas in 2011-12. Since the value of Lorenz Ratio range between zero and unity and also since higher value of Lorenz Ratio is indicative of greater inequality, the above values of inequality demonstrate that the disparity in per capita consumption among the people in the country is not huge.

A proportionately higher increase in the income/consumption of the people at the lower level of income distribution is able to reduce the disparity in per capita consumption. In order to achieve this, the Twelfth Five Year Plan has set the target rate of economic growth

at 8 per cent per year. The Twelfth Plan has also formulated a number of programmes to benefit the people at the lower end of the income distribution. This includes Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), National Rural Livelihood Mission (NRLM), Swarna Jayanti Shahari Rozgar Yojana (SJSRY), National Rural Health Mission (NRHM), Sarva Shiksha Abhiyan (SSA), Mid-Day Meal Scheme (MDMS), Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Integrated Child Development Services (ICDS), Rajiv Gandhi National Drinking Water Mission (RGNDWM), Total Sanitation Campaign (TSC), Indira Awaas Yojana (IAY), National Social Assistance Programme (NSAP), etc.