

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

UNSTARRED QUESTION NO:950  
ANSWERED ON:11.12.2013  
INCOME DISPARITY  
Pandurang Shri Munde Gopinathrao

**Will the Minister of PLANNING be pleased to state:**

- (a) whether data based on consumption expenditure surveys shows that income disparity is growing in the country;
- (b) if so, the details thereof during the Eleventh Plan Period;
- (c) whether the Government has taken any steps to minimise the disparity between the rich and the poor; and
- (d) if so, the details thereof?

**Answer**

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

(a) & (b): The disparity between different expenditure classes of the population in terms of per capita consumption expenditure is measured by the Lorenz ratio. The value of Lorenz Ratio ranges between zero and unity and a higher value of Lorenz Ratio indicates greater inequality. The Lorenz Ratios are estimated from the household consumption expenditure data collected by National Sample Survey Office (NSSO) which are normally conducted on quinquennial basis. The Lorenz ratio in rural areas is observed to be almost same in 2004-05 and 2011-12 at 0.27 and 0.28 respectively. In the urban areas, the Lorenz ratio increased marginally from 0.35 in 2004-05 to 0.37 in 2011-12.

(c) & (d): 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. In addition, the Government is implementing 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. These interventions are expected to yield better results over time in terms of reduction in the gap between rich and poor and overall balanced development in the country.