CHAPTER - VII

SUMMARY, FINDINGS, RECOMMENDATIONS AND CONCLUSION

In this chapter a brief summary of the research study, findings, recommendations and conclusion is presented.

7.1 Summary

Due to allocation of union budgets, India has achieved in many aspects such as education, health, family welfare, nutrition and rural and urban development. Both men and women have improved their education status since independence; however the gender gap in literacy rate could not be narrowed down. The school enrolment has shown a remarkable improvement over the last 18 years (for class I to XII). During 1991-92 enrolment for boys was 93.6 million which increased to 129.8 million in 2008-09. Similarly enrolment for girls increased from 62.8 million in 1991-92 to 107.4 million in 2008-09. Enrolment of boys has increased at a higher rate proportion than the increase in enrolment of girls. Enrolment of females (per hundred males) in the University education in major disciplines has increased from 48.43 during 1991-92 to 72.22 during 2008-09. The drop-out rate of boys was 57.33 per cent during 1992-93 and it has been reduced to 41.72 per cent during 2008-09 and for girls it was 63.07 per cent during 1992-93 and
41.5 during 2008-09. The drop-out rate should be reduced further in order to achieve the desired women empowerment.

The shortage of trained teachers remained a major barrier to achieve the goal of ‘Education for All’. The pupil-teacher ratio was 38 during 1991-92 and during 2008-09 it has increased to 40. Primary schools are mostly affected by teacher shortage. The number of educational institutions has increased from 8,05,246 in 1991-92 to 13,10,123 in 2008-09. Even then shortage of teachers exists due to the government policy in filling up the vacancies caused by retirement.

Improved water sources, sanitation, and hygienic conditions at the community level generate important positive externalities in terms of better health. Sanitation is one of the basic necessities for a hygienic and healthy life. Access to safe drinking water and sanitation reduces the incidence of waterborne diseases like diarrhea which cause death of millions of children and adults each year. But during the study period in rural area, water supply and the sanitation coverage lies only between 65 – 80 per cent. Access to toilet facilities within the home provides privacy, dignity, and a sense of security to family members especially the female members. Availability of electricity is essential for modern agriculture and its allied activities, which are the major source of income to the rural population. Electricity has been a basic necessary without which
education and other economic activities cannot be carried out. Only 36 per cent of houses were having toilet facilities and 11.2 thousands of villages in rural area are electrified.

The Planning Commission estimates the proportion and number of poor, separately for rural and urban India, at the national and state levels based on the recommendations of the Task Force on ‘Projections of Minimum Needs and Effective Consumption Demands’ (1979). The Task Force had defined the poverty line (BPL) as the cost of an all India average consumption basket at which calorie norms were met. The norms were 2400 calories per capita per day for rural areas and 2100 calories for urban areas. But the calorie intake never exceeded 2100 kcal during the past one decade. The average monthly expenditure for food per person in rural area was `408 at the end of the study period. This is because of rural poverty. For the past five years the rural poverty was 28.3 per cent. Poverty leads to low food intake, nutritional deficiencies, deprivation of basic amenities like sanitation and clean drinking water which cause infections. The poor are more exposed to environmental risks (poor sanitation) and are less prepared to cope up with them. They are less informed about the benefits of healthy lifestyles, and has less access to quality healthcare.
Compared to rural area, urban area was better, but it was also poor when compared with other developing nations. The urban water supply and sanitation was also not satisfactory. Because of urbanisation still there existed houses having less percentage of water supply and sanitation facility. The urban poverty ratio was 21 per cent during 2009. The consumption of calorie intake was also not exceeding 2100 kcl in urban area. In actual sense the urban poverty was extension of rural poverty because the rural poor migrate to urban areas in search of jobs and better life which results in urban slums and poor localities.

Number of deaths due to diseases is continuing even today. At the end of the study period number of deaths due to diarrhea was 1385 thousands, malaria 416 thousands, Hepatitis 678 thousands and Cholera 12 thousands. There were 756 polio cases too. Though it has decreased compared to the previous period it was is yet to be controlled seriously. The union government’s budgetary expenditure on GDP rate was only 0.64 (2008-09) which was very less compared to the other developed countries. The infant mortality rate has reduced but it was not to the expected level. During 1999 The IMR was 70 and during 2009 it was only 50. The difference was not much greater to achieve success in reducing IMR. The maternal mortality ratio was 212 (per 1,00,000 live births) during 2007-09.
Union government is believed to be in the best position to finance and conduct public health programme through the primary network. With the help of the network of primary and community health care centers (PHCs and CHCs), spread all over the country, access to health services to the poor in urban as well as rural areas has become possible. India had made some progress towards the Millennium Development Goals (MDGs) in maternal and child health. But success is overshadowed by the persistence of an unacceptably high mortality rate, increasing inequality in maternal, child health and access to health care particularly in the rural areas. For instance, compared to other developing countries government’s health care in India is low.

Health is regarded as a vital component in the growth and development of any country. Healthy children are said to have better school attendance and learning, which later translates into better earning capacity. In other words, ill health can lead to capability deprivation and hence poverty, causing a substantial loss of financial and human resources. Poverty caused by poor health further reinforces ill health.

Road networks also enable easier access to health and educational centres and better work opportunities. The percentage share to total road length is Panchayat road 33.88 per cent, urban road 8.36 per cent and PWD road 26.66 per cent. They in turn also
support other economic activities which can reinforce the establishment of better social infrastructure. All these are indicative of quality of life differentials in terms of income, health, and educational status. The study reveals that union government’s budgetary expenditure on social sector increases each year. But it has not reached the increased population successfully. Still there are illiterates, dropouts, death due to diseases, unemployment in rural and urban areas and shortages in basic facilities (both in rural and urban areas) which retards social sector development in India.

7.2 Hypothesis

Based on the objectives of the study hypothesis were formulated, tested and the results are given below.

1. There is a positive correlation between the union government’s budgetary expenditure on education and enrolment of students

This hypothesis is proved statistically by correlating, union government’s budgetary expenditure on education and the number of enrolment of students. The coefficient of correlation between union government’s budgetary expenditure on education and enrolment of students is 0.12. It indicates there is a low degree of positive correlation between given factors. Further the calculated
value of $t$ (0.48) is less than the table value of $t$ (2.12) at five per cent level of significance for 16 degree of freedom.

2. **Union government’s budgetary expenditure on health has failed to promote adequate health centres in India**

The hypothesis is proved by estimating the compound growth rate of union government’s budgetary expenditure on health and increase in health centres (primary health centre, sub centres and community health centres). The estimates of compound growth rate of union government budgetary expenditure on health showed a growth rate of 77.83 per cent. But the estimate of health centres indicated a growth of 15.72 per cent. Both the estimates were statistically significant at five per cent level of probability. The health centres are low as compared with the union government’s budgetary expenditure on health. Hence the hypothesis is accepted.

3. **Union government’s budgetary expenditure on rural and urban development is inadequate to promote facilities in rural and urban areas**

This hypothesis is proved by estimating the compound growth rate of union government’s budgetary expenditure on rural and urban development and facilities provided in rural and urban areas.

The estimate of compound growth rate of the union government’s budgetary expenditure on rural development shows a
declining growth (-2.13 per cent). But the rural facilities indicate a
growth rate of 2.39 per cent. Both the estimates were statistically
significant at five per cent level of probability. Hence it is
understood that the amount is inadequate to promote essential
facilities in rural areas. The estimate of union government’s
budgetary expenditure on urban development reflects a compound
growth rate of 1.42 per cent. But the growth rate of urban facilities
is 3.71 per cent. Both the estimates are statistically significant at
five percent. Hence, it is proved that the fund is inadequate to
promote essential facilities in urban area. Hence, the hypothesis is
accepted.

7.3 Findings

In this study entitled, “Union Budget and its impact on Social
Sector Development – An Analysis” secondary data is used for
analysis. The secondary data is collected for eighteen years from
1991-92 to 2008-09. This chapter presents the findings that are
derived from the analysis made by the researcher in the previous
chapters.

7.3.1 Findings related to the impact of union government’s
budgetary expenditure on education

There had been an increasing trend in union government’s
budgetary expenditure on education except in 2001-02. During
1991-92 it was `22,393.69 and it has increased six times and
reached 1,86,498.58 during 2008-09. The annual growth rate of expenditure shows a fluctuating trend. The annual growth rate was the highest (26.83 per cent) in 2003-04.

The union government’s budgetary expenditure on education increases from 2,687.15 crores in 1991-92 to 46,237.5 crores in 2008-09. The state government’s budgetary expenditure increases from 19,706.44 during 1991-92 to 1,40,094.5 during 2008-09. The percentage of union government’s budgetary expenditure to total expenditure ranges from 2.46 per cent in 1992-93 to 45.26 per cent in 2001-02 except 2000-01 with -11.79 per cent. The percentage increase in state government’s expenditure was 13.04 per cent in 1992-93 and it has reached the maximum of 25.34 per cent in 1998-99. It has reached the minimum level of -9.76 per cent during 2001-02.

The percentage of union government’s budgetary expenditure on education to social sector expenditure increased from 39,255 crores in 1991-92 to 3,59,849 crores in 2008-09 which shows approximately a ten fold increase. However, the union government’s budgetary expenditure on education has not increased proportionately as social sector expenditure. The share of expenditure on education was the highest (66.03 per cent) in 2000-01. In 2008-09 the percentage was 51.83 which was the minimum during the period under study.
Union government’s budgetary expenditure on education to GDP increased from 0.46 per cent during 1991-92 to 0.94 per cent during 2008-09. But State government’s expenditure on education to GDP decreased from 3.34 per cent during 1991-92 to 2.84 per cent during 2008-09. The total expenditure on education to GDP was 3.80 per cent during 1991-92 and was 3.78 per cent during 2008-09.

The per capita expenditure on education shows an increasing trend. But the percentage increase in per capita expenditure on education shows a fluctuation. It was at the maximum of 24.38 per cent during 1998-99. Later shows a negative result of -5.13 per cent during 2001-02.

The percentage of sectoral composition of budgetary expenditure on education by the government of State and Union Territories to primary education was 49.29 per cent in 1991-92, there were little fluctuations, and it reached 50.73 per cent in 2008-09. It reached its maximum of 50.91 per cent during 2001-02 and minimum of 45.23 per cent during 1992-93. Over the years the expenditure on education to all the sectors remains more or less same with a little fluctuation. Expenditure on secondary education shows a slow growth. It was 33.98 percent during 1991-92 and after a great fluctuation it increased to 34.32 per cent during 2008-09. Expenditure on higher education declined from 11.43 per cent
during 1991-92 to 10.49 per cent during 2008-09. Expenditure on technical education faced a greater fluctuation. Expenditure on adult education declined to a great extent. It was 2.40 per cent during 1991-92 and declines to 0.22 per cent during 2008-09.

The percentage of sectoral composition of union government’s budgetary education to primary education was 16.50 per cent during 1991-92 and it has increased to 56.31 per cent during 2008-09. Expenditure on secondary education shows a declining trend. It was at the maximum of 26.72 per cent during 1993-94. It reached the minimum of 8.05 per cent during 2006-07. Expenditure on higher education shows an increasing trend still 1999-2000 and it reached the maximum of 30.02 per cent and minimum of 16.06 per cent during 2008-09. Expenditure on technical education also declines largely. It was 18.43 per cent during 1991-92 and 11.06 per cent during 2008-09. Expenditure on adult education also declines from 12.38 per cent during 1991-92 to 1.17 per cent during 2008-09 indicating a change in priorities.

Union government’s expenditure on scholarship was `48 crores during 2008-09, which is the highest during the period of study. There was an increase in scholarship expenditure from 1991-92 (`6.35 crores) to 2008-09 (`48 crores). In 2002-03 there is a decrease by `50 crores.
Union government has provided 16.50 per cent of the budgetary expenditure on education for primary education but the enrolment was only 100.9 million. At the beginning of the study period the fund allotted for secondary education was the highest. Later it started declining. It was 23.77 per cent during 1991-92. It reached 14.45 per cent during 2008-09. But the enrolment of secondary students shows a positive growth. It was 56.0 million during 1991-92 and finally at 99.9 million during 2008-09. The same happened for the higher education. 28.92 per cent of the expenditure on education was provided for the higher education during 1991-92 and it was only 16.06 per cent during 2008-09. But the enrolment was 5.27 million during 1991-92 and it increased to 12.90 million during 2008-09.

The total enrolment in the primary education increased from 100.9 million during 1991-92 to 137.0 million during 2008-09. In the middle and secondary school also the total enrolment increased from 35.6 million and 20.4 million during 2008-09 to 57.2 million and 42.7 million respectively during 2008-09. But compared to boys’ enrolment girls’ enrolment was less. During 2000-01 the number of girls’ enrolment has reduced to 49.8 million. But from next year onwards it shows an increasing trend. During 2002-03, girls’ enrolment increased to 57.3 million.
The enrolment of females in higher education per hundred males is moving in an increasing trend. Enrolment in arts increased till 2000-01. From next year onwards it started fluctuating. During 2000-01 the enrolment in Commerce and Engineering also increased.

Dropouts in the primary education have reduced from 45 per cent during 1992-93 to 23.75 per cent during 2008-09. Dropouts in secondary education also decreased to 45.07 per cent and 56.05 per cent during 2008-09.

In the primary and secondary schools the pupil teacher ratio was 44 and 32 respectively during 1991-92 and it has increased to 48 and 37 respectively during 2008-09. But in the middle school the pupil teacher ratio has reduced from 38 during 1991-92 to 35 during 2008-09.

During 1991-92, the number of female teachers per hundred male teachers in the primary, middle and secondary schools were increased from 43, 51 and 48 respectively during 1991-92 to 85, 69 and 58 respectively during 2008-09. This shows the role of female teachers in educating children.

During 1991-92 the number of schools in India is 8,05,246. Later on it started increasing and reached 13,10,123 during 2008-09. The number of recognized higher education institutions also
shows a positive trend. It was 6,204 during 1991-92 and it increased to 25,012 during 2008-09.

**7.3.2 Findings related to the impact of union government’s budgetary expenditure on medical and public health**

The union government’s budgetary expenditure on medical and public health had been increasing from the level of `5,330 crores in 1991-92 to the level of `7,577 crores in the year 1994-95. In 1995-96 there had been a decline to the extent of `629 crores. From 1996-97 the expenditure increased to `7,990 crores and reached `33,614 crores in 2008-09.

The percentage of union government’s budgetary expenditure on medical and public health to the social sector is steadily increasing from `39,255 in 1991-92 to 3,59,849 in 2008-09. But the percentage of expenditure on medical and public health is not increasing steadily. The percentage fluctuates and it was high in 1993-94 (13.91 per cent) and was the least in 2008-09 (9.34 per cent).

During 1991-92 the ratio of union government’s budgetary expenditure on medical and public health expenditure to that of GDP was 0.89 per cent and the next year onwards it was fluctuating. It was the minimum in 2004-05 (0.54 per cent). During 2008-09 it was only 0.64 per cent.
The per capita expenditure on medical and public health ranges from 62.66 during 1991-92 to 241.28 in 2008-09. The percentage increase in expenditure on medical and public health was the highest (24.97) in 1998-99.

The union government’s budgetary expenditure on family welfare had been increasing steadily and continuously from the level of `1,516 crores in 1991-92 to that of `33,233 crores in 2008-09. The percentage increase over the previous year had shown some fluctuations. It was the highest in 1995-96 (90.96 per cent), and it was the minimum in 1996-97 (4.27 per cent).

The percentage of union government’s budgetary expenditure on family welfare expenditure to social sector expenditure was 3.86 per cent, in 1992-93. It was the highest (9.23 per cent) during 2008-09. But it was 9.34 per cent in 2008-09.

The ratio of union government’s budgetary expenditure on family welfare to GDP ranges from 0.23 per cent to 0.63 per cent during the study period. In 2008-09 it had reached the maximum level of 0.63 per cent. The ratio was fluctuating from 1991-92 to 2006-07.

The per capita expenditure on family welfare was only `17.71 in 1991-92 but it has reached `287.98 in 2008-09. The percentage increase was the highest (87.25 per cent) in 1995-96 followed by 50.85 per cent in 2008-09.
The union government’s budgetary expenditure on nutrition has increased from 611 crores in 1991-92 to 9,061 crores in 2008-09 except in two years 1996-97 (1,854 crores) and (1997-98 1,844 crores). The annual growth rate shows a higher rate (150.99 per cent) in 1995-96 and the lowest rate of -13.20 during 1996-97.

The percentage of union government’s budgetary expenditure on nutrition to social sector expenditure was the least (611) in 1991-92 and was the highest (6,061) in 2008-09.

The ratio of union government’s budgetary expenditure on nutrition to GDP ranges from 0.08 per cent during 1993-94 to 0.17 per cent during 2008-09.

The per capita expenditure on nutrition was only 7.13 and there has been an increasing trend during the study period. Though there are fluctuations in between during the study period it has reached a high level of `78.51 during 2008-09.

During 1991 there were 18,671 primary health centres, 1,30,165 sub centres and 1,910 community health centres. The number has increased to 23,673 in primary health centres, 1,47,069 in sub centres and 4,535 in community health centres during 2009.

The number of doctors during 1991 was only 47 whereas the nurses and auxiliary nurses or midwives are 40 and 18 per 1,00,000 population. The number has increased to 65 doctors, 92
nurses and 50 auxiliary nurses or midwives per 1,00,000 population during 2009.

During 1991 per 1,00,000 population there were only 97 beds in all the allopathic hospitals. There is no change in the number of beds even in 2009.

There is no steady increase in the immunization of children in each year. Compared to the initial period of the study the children taking DPT, DT, Polio and BCG vaccines (21.21, 13.75, 21.3 and 21.67 respectively) have increased to (23.24, 18.17, 24.61 and 25.61 millions respectively) at the end of the study.

Among the total eligible couples (1,48,430) 44,935 were protected by adopting sterilization and 9,913 by adopting IUD during 1991-92. During 2008-09 among 1,95,825 eligible couples, 53,630 adopted sterilisation method and 12,619 adopted IUD method.

During 1991, diarrhea, 2,126 thousands by malaria, 93 thousands by viral hepatitis and 7 thousands by cholera affected 9,281 thousands people. During 2009, the number of people affected by diarrhea has increased to 10,113 thousands. But the number of people affected by malaria, viral hepatitis and cholera has reduced to 1,373 thousands, 85 thousands and 3 thousands respectively.
During 1994, the number of children affected by polio was 4,791. It has reduced to 265 during 2000. It became the least during 2005 (66). During 2009, it was 756.

The birth and death rates have reduced from 29.5 and 9.8 during 1991 to 22.5 and 7.3 respectively during 2009. The infant mortality rate has reduced to a greater extent from 80 during 1991 to 50 during 2009. The total fertility rate also declined from 3.6 during 1991 to 2.6 during 2009.

During 1997, the maternal mortality rate was 398 and it decreased to 245 during 2009. However, the decrease is a very slow process.

The net availability of food grains was 523.5 grams in the year 1991 and it was reduced to 456.9 grams in the year 2009. Compared to 1991 the net availability of rice, wheat, cereals, gram and pulses have also reduced during 2009.

The average monthly expenditure for food per person was 153.6 in rural area during 1991. It has increased to 408 during 2009. The average monthly expenditure for food per person was 207.8 in urban areas. It has increased to 603.2 during 2009.

During 1991-92, the percentage of children with under nutrition in rural area was 65.9 per cent and during 2004-05, it has reduced to 43.7 per cent. The percentage of children with
under nutrition in urban area has also reduced from 45.2 per cent during 1991-92 to 30.1 per cent during 2004-05.

7.3.3 **Findings related to the impact of union government’s budgetary expenditure on rural and urban development**

The union government’s budgetary expenditure on rural development had increased steadily from 5,491 crores in 1991-92 to 9,613 crores in the year 1994-95. It has reached the highest level of 36,607 crores in 2008-09. The percentage growth is fluctuating and it ranges from -2.79 per cent in 1995-96 to 31.04 per cent in 2008-09.

The percentage of union government’s budgetary expenditure on rural development to that of the social sector expenditure had been fluctuating throughout the years. It was 13.98 per cent during 1991-92. Then it increased to 14.99 per cent during 1993-94. It reached the level 10.17 per cent during 2008-09.

The percentage of union government’s budgetary expenditure on rural development to that of the GDP was 0.92 per cent during 1991-92. It reached the minimum of 0.58 per cent during 2000-01. Finally it reached 0.70 per cent during 2008-09.

During 1991-92 the per capita expenditure on rural development was 82.95 and it increased to 431.69 during 2008-09. The percentage increase over the previous year was 29.5 during
2008-09 and it was showing negative results of -31.18 during 1995-96.

During 1991 the percentage of safe drinking water has increased from 56 per cent during 1991 to 78 per cent during 2009.

There was a slow and steady increase in the sanitation coverage. During 1991, 10.6 per cent of the rural area had sanitation facility and it increased to 65.65 per cent during 2009.

The percentage of toilet facilities in rural area is increasing but at a reduced rate. Individual household latrine coverage has more than doubled, from around 22.43 per cent in 2001 to 59.02 per cent in 2009.

In rural area, the distribution of pucca house was 26.5 per cent during 1991. It has increased to 55 per cent during 2009. In rural area, the distribution of semi pucca house was 34.6 per cent during 1991. After much fluctuation it reached 28 per cent during 2009. In rural area, the distribution of kutcha house was 38.9 per cent during 1991. It was brought down to the lowest level of 17 per cent by introducing rural development programmes. The distribution of household by types of housing structure in rural areas has changed a lot from 1991 – 2009 due to the policies of both central and state government.
During 2000, the number of electrified villages was only 2.23 thousands. It was at the maximum of 25.94 thousands during 2006. But during the initial period of the study it was very less.

The percentage share to total road length in panchayat raj was 40.01 per cent during 1991 and it has reduced to 33.88 per cent during 2009.

The percentage of population below poverty line in rural area was 40 per cent during 1991-92 and it has decreased to 33.8 per cent during 2008-09.

The average calorie consumption in rural areas was lower (2047 kcl) in 2004-05 than in 1993-94 (2153 kcl). The decline of per capita consumption is not limited to calories, but also to increase of proteins and many other nutrients, the major exception being fat consumption, which has increased steadily from 31.4 gms during 1993-94 to 35.4 gms during 2004-05.

The union government’s budgetary expenditure on urban development had been increasing from 1993-94 till 2008-09 except in 1991-92 (₹ 910 crores) and 1992-93 (₹ 825 crores). It was ₹ 28,278 crores during 2008-09.

The percentage of union government’s budgetary expenditure on urban development to that of the social sector expenditure had been fluctuating during the study period. It was the minimum (1.76 percent) during 1994-95. From 2005 – 06 the percentage shows an
increasing trend and it reached the maximum of 7.85 per cent in 2008-09.

The percentage of union government’s budgetary expenditure on urban development to that of the GDP had been fluctuating till 2000-01 and it reached 0.15 per cent. It was the minimum (0.10 per cent) in 1994. There is a gradual increase in the percentage of union government’s budgetary expenditure to GDP from 1995-96 (0.10 per cent) till 2008-09 (0.54 per cent) except 2000-01 and 2005-06 (0.15 per cent and 0.20 percent respectively).

During 1991, the percentage of households having safe drinking water was 81 per cent and it has increased to 94 per cent during 2009.

The coverage of urban sanitation was 71.02 per cent during 1991 and it has increased to 87.56 per cent during 2009.

In urban area, the distribution of pucca house was 66.8 per cent during 1991. It has increased to 92 per cent during 2009, the distribution of semi pucca house was 22.8 per cent during 1991. Moreover, it has reduced to the level of 6.2 per cent during 2009. The distribution of kutcha house was only 10.4 per cent during 1991 and it has become 2.1 per cent during 2009 which shows the urban development
The total urban road length from 1991-92 to 2008-09 was showing increasing trend and the percentage share to total road length after fluctuation increased to 8.36 per cent during 2008-09.

The percentage of population below poverty line has reduced from 37.6 during 1991-92 to 20.9 during 2008-09.

The per capita consumption of calorie and protein has reduced from 2071kcl to 2020kcl and 57.2 gms to 55.4 gms respectively during 1993-94 and 2004-05.

During 1991-92, union government has spent `6401 for rural and urban development. The employment during that period is only `267.30 lakhs. During 2008-09, the expenditure was raised to `64880 and the employment increased to 275.48, which shows a slow growth. The percentage increase over the previous year it was 1.23 per cent during 1992-93. Then it started declining and fluctuated for a longer period and finally it was one per cent during 2008-09.

Only 19.21 lakhs and 7.85 lakhs persons were employed in public and private sectors during 1991-92. During the beginning of the study period, the employment in the public sector was declining less and later was fluctuating. Finally, it decreased to 17.86 lakhs during 2008-09. However, employment in the private sector shows an increasing trend. It reached the highest level of 10.38 lakhs during 2008-09. Even though the employment in private sector
increases, it cannot reach the level of employment provided by the public sector. The number of persons on the live register was 36.76 lakhs during 1991-92. It started fluctuating and reached the maximum of 42 lakhs during 2000-01. It declined and reached the lowest level of 38.15 lakhs during 2008-09.

### 7.3.4 Findings related to the impact of union government’s budgetary expenditure on social sector development – an overview

Compared to union government’s budgetary expenditure on education, the expenditure on health, family welfare, nutrition and rural and urban development by the union government is less. A very little amount is spent on Nutrition. During 2000-01 expenditure on education decreases, on the other hand the expenditure on medical and public health, family welfare, rural development and urban development increases.

The ratio of union government’s budgetary expenditure on education to gross domestic product reaches 3.57 per cent during 2008-2009 which is the highest compared to expenditure through other departments. During the initial period of the study GDP ratio of expenditure on medical, public health and rural development was in a higher rate comparing to the end of the study period.

Percentage of union government’s budgetary expenditure on nutrition to social sector expenditure has increased from 1991-92
(1.55 per cent) to 2008-09 (2.51 per cent). The same happens in family welfare and urban development. It reveals that at the end of the study period Union Government tries to stabilise the economy by equalizing the percentage of budgetary expenditure allotted for different sectors.

The per capita expenditure on education is the highest compared to the other per capita expenditure on other sectors. There is an increase of six times from the initial period of the study. But the per capita expenditure on urban development increased twenty times from the initial period of the study and per capita expenditure on family welfare increased by sixteen times.

The net availability of food grains of each item fluctuated and at the end of the study period it decreased. The average monthly expenditure for food per person in rural and urban areas increased from 1991 to 2009.

The basic facilities like water supply and sanitation in urban area are higher compared to the rural area. But comparing with the initial period of the study the basic facilities in rural area have increased at the end of the study period.

During 1991-92 union government’s budgetary expenditure has spent `6401 for rural and urban development. The employment during that period is only `267.30 lakhs. During 2008-09
expenditure was `64880 and the employment increased to 275.48 which showed a slow growth.

The percentage share of National Highway and State Highway are less compared to the Panchayat Raj Roads. But compared to the percentage share of Panchayat Raj Roads during the initial period of the study is less than that at the end of the study period.

7.4 Recommendations

The researcher wishes to make few recommendations to the union government so that the impact of budgeting will result in social sector development.

- The union government should fulfill the promise in the Common Minimum Programme of earmarking at least six percent of the GDP for education. The legislation has to be submitted to the Parliament and the target rate for reaching this level should be specified and also phases in which it will be achieved should be spelt out.

- A significant growth in finance is critically needed for quantitative expansion, for improvement in quality and excellence, and for preserving and promoting equity in higher education.

- It would be desirable to fix certain norms regarding the share for education and particularly for higher and technical
education in the total government budgetary resources, so as to ensure a steady flow of funds to education and to various sub sectors within education.

♦ National as well as State Elementary Education Commission should be formed to address the needs of children.

♦ Greater importance should be given to improve quality in higher education.

♦ Scholarships to the weaker section should be considerably enhanced. At the present stage of development policies, strengthening of scholarship schemes should be promoted by the government.

♦ Qualified teachers should be recruited with gender parity, thereby girl’s enrolment can be increased.

♦ It is essential to stimulate private investment in education as a means of extending educational opportunities. More private investment (not for profit) should be encouraged by the government.

♦ Educational policies should be increasingly being determined at the national level, rather than the state level and should be framed each year.
♦ The allocation of government’s fund to Centrally Sponsored Schemes (CSS) for the whole nation should be focused on improving education in regional level.

♦ Adequate human resources are required in health and education sectors and for strengthening of infrastructural facilities.

♦ Public expenditure on health in India should be enhanced considerably. Government (Union government and states combined) should increase public expenditures on health from the current level of GDP to at least three per cent by the end of the XII Five Year Plan.

♦ Union government should introduce specific purpose transfers to equalize the levels of per capita public spending on health across different states as a way to offset the general impediments to resource mobilisation faced by union government and to ensure that all citizens have an entitlement to the same level of essential health care.

♦ Equitable access to health facilities in urban and rural areas by rationalizing services and focusing particularly on the health needs of the urban and rural poor, should be ensured.

♦ Adequate numbers of trained health care providers and technical health care workers at different levels by giving
primacy to the provision of primary health care and increasing the number of health workers (doctors, nurses, and midwives), has to be ensured.

♦ Institutes of Family Welfare should be strengthened and Regional Facility Development Centres should be selectively developed to enhance the availability of adequately trained faculty and faculty-sharing across institutions.

♦ There is a need to improve access to health services for women and girls (going beyond maternal and child health).

♦ Water quality monitoring programme which helps to maintain safe and quality water supply both in rural and urban area should be promoted.

♦ Employment opportunities can be generated in private sector by promoting investment and improving marketable vocational skills with widespread use of information technology.

♦ Rural employment schemes especially Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) should be implemented in all the districts of India particularly the underdeveloped areas. It should be implemented in urban areas also.
Infrastructural facilities such as sanitation, electricity, housing and road are to be improved without regional disparity so that all citizens of India get benefited from their own contribution.

Studies are needed to measure the human development and poverty situation of different sections of the population in India using an index, per capita expenditure on food intake and per capita consumption of calorie, protein and fat.

There is a need for revised food and nutritional security programmes.

The pre planned Food Security Act should be passed in the parliament and its provisions are to be implemented.

### 7.4 Scope for further research

The following are the scope for future research

1. A comparative study on union and state government’s budgetary expenditure on social sector development.

2. A study on schemes of government for social sector development.

3. A comparative study of the social sector in India with those of the other South Asian countries.

7.5 Conclusion

Indians are good planners but not good implementers. Though union government had implemented many programmes on social sector development, there is no real improvement in the social sector in India. Only an increase in the economic growth is not a development of the whole nation, actually it is the development only for few people. There is a need for sustainable and inclusive strategy for social sector of India in order to achieve real development not mere numbers and targets.

Poor supply of government services, such as immunisation and access to medical care, and lack of priority to assigned primary health care in government programmes also contribute to morbidity. These factors, combined with poor food availability in the family, unsafe drinking water and lack of sanitation, lead to high child under-nutrition and mortality. In education, children’s poor nutrition and health status is rarely recognised as a significant factor for school enrolment, high drop-outs, participation and achievement.

Social sector comprising of sub-sectors like education, health and medical care, housing and water supply is very essential for the economic development of any State. Social development paves the way for economic development. Budgets are intended to play catalytic roles by targeting financial expenditure on priority sectors
to promote efficiency in growth, sustainability and equity in development. But for the overall social sector development there is a need for increased allocations to promote and provide elementary education, basic health services, to ensure adequate nutrition for the poorest and well developed infrastructural facilities in rural and urban areas.