CHAPTER-6

CONCLUSIONS AND SUGGESTIONS
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The present study entitled ‘FINACING OF SOCIAL SECTOR IN INDIA: UTTAR PRADESH A CASE STUDY’ was undertaken with a view to study the economics of social sector financing especially its two components education, health and medical care in Uttar Pradesh. It is evident from the above analysis that ‘Social Sector development’ is the backbone of human welfare and economic development. Equity, ecologically-sustainable Economic development and peace may be obtained by ensuring social sector development which is the essential pre requisite for human development.

On the basis of the findings of the present study it is revealed that Union and Uttar Pradesh Government’s out lay on various spheres of Social Sector e.g. education, health and medical care and nutrition is less than what is required. As a result social sector indicators for health and education are poor and continue to lag behind the some countries of our region. Keeping in view the condition of poor health in Uttar Pradesh which is further certified by the poor health indicators, the importance of raising the level of per capita expenditures on health in Uttar Pradesh, the most
populous state of India is urgently needed. It is further revealed from this study that educational development, so far, is a mixed bag of remarkable success and glaring gaps. There are problems relating to high drop out rates, low level of learning achievement and participation of girls. Besides, there are systemic issues like inadequate school infrastructure, high teacher absenteeism, large scale teacher vacancies and inadequate equipment like learning material. So as to improve the situation adequate of financial allocation is urgently needed. However, despite the above problems and shortcomings, the Government of India has decided to make free and compulsory elementary education a fundamental right. This study reaffirms that the goal of universal elementary education could become a reality only if there is a joint commitment between the federal and U.P. governments and adequate finances are made available for Education Sector.

The study reveals that by adequately financing social sector we would have a world in which a healthy life and education for all is a reality; a world that respects, appreciates and celebrates all life and diversity; a world that enables the flowering of people's talents and ability enrich each other; a world in which people's voices guide the decisions that shape our lives.
TENTATIVE SUGGESTIONS

The present study of Financing of Social Sector, especially its two components viz., Health and Education has revealed that the financing is not only inadequate but the implementation of the two sector projects face multiplicity of problems these problems have been analyzed at relevant places in the thesis. In view of these problems, following suggestions are put forth which may be helpful in enhancing the financial resources required for achieving the Health and Education targets.

Social Sector Development -

1. Mahatma Gandhi set before the nation the objective of “wiping every tear from every eye ….economics that hurt the moral well-being of the individual or a nation is immoral and therefore sinful”

This dream of Father of the Nation must be fulfilled by adoption of a broader perspective towards social sectors that would ensure not only equity but also sustained increase in welfare of human being in the long run.

2. This study advocates for the development of Social Sector as a solution to mass poverty ill literacy and ill health problems of India and its most populous state of Uttar Pradesh.
3. For the enhancement of capabilities of the population Development of Social Sector especially Development of Health and Education should be regarded as the objective of Economic Development.

4. The World Development Report (1999-2000) defines the goal of development policy as Sustainable development for all people. This should be the basis for policy formulation by the Union and U.P. Governments.

5. Adequate budgetary provisions and allocation of funds in plans should be made by Union and U.P. Governments for social sector capable of ensuring raising per capita income, improving peoples' health and educational opportunities and helping to ensure a clean environment.

6. Even with relatively low income, China and Indian state Kerala had guaranteed basic social services which improved their social sector indicators. Therefore labour-intensive activities such as basic education and health should be encouraged by allocating adequate funds as these will ensure human development on one hand and generate employment, enhance economic activities on the other hand.
7. Keeping in mind the present era of globalization and open economy 'human development' which is essential for improvement in the efficiency, quality of life and widens the reach of the market economy is recommended.

8. Healthy and skilled man power is not only capable of earning their bread inside India but many of them are making valuable foreign currency for the nation therefore social sector programs should be well funded.

9. U.P. Government should ensure integrated social sector programmes with public interventions covering health, primary education, drinking water, sanitation, nutrition, roads and connectivity. State governments should be persuaded to allocate more resources and better fiscal management. Leakage and misuse of funds should not be allowed.

10. We need dynamic political leadership administrative commitment and buoyant community participation to fulfill the ambitious agenda of the Social Sector Development in Uttar Pradesh.

11. Under the structural Adjustment Programme (SAP) the relative significance of "Social Sectors" is on a decline. Many programs
jointly financed by the state and central Govt. and many are exclusive responsibility of the state Govt. only. It is recommended that evaluation and monitoring of medical / education services in rural and urban areas should be made with the object of keeping them useful for the masses. Economists, engineers, sociologists and accountants should form part of monitoring teams.

12. The findings advocates for change in transfer policy of Officers of District Adm., Medical and Education Departments, responsible for implementing social sector programmes, should have minimum stay of three years in district so that they may concentrate fully on the implementation of social sector policies and may be held responsible for any lapse.

13. In Uttar Pradesh and Bihar there is a high degree of political anarchy, corruption, nepotism, loot of development funds by politicians, mafias, officers and "non-development" issues like religion, caste are in prevalence. Improved education and health would create Political and social awareness. Population will become capable of countering these non developmental issues.

14. From a fiscal point of view it is clear that in U.P. budgets can
not afford to continue with these schemes without dramatic improvements in the fiscal position. Adequate Central assistance and help from international institutions is needed to ensure rapid social sector development.

15. The study reveals that Finance Commission transfers have influenced the size of surpluses/deficits in the revenue accounts of state government budgets. These revenue surpluses/deficits, in turn, determine the "own resources" of state available for plan development and hence their total plan outlays. Therefore, it is more meaningful to consider equity in total transfers (statutory + plan + discretionary) and not just in the approximately 25 per cent segment to which the Gadgil formula is applicable.

16. The non-plan revenue deficits are the highest in the socially backward states. In 2001, Maharashtra had a non-plan revenue surplus of Rs. 1,300 crores, as compared to a non-plan revenue deficit of Rs. 1,200 crores in UP. It is suggested to ensure an integrated view of development outlays in the social service sectors. This would mean a fundamental change in planning and budgetary procedures both at the Centre and in states is recommended.
17. Economically, socially and politically neglected Districts/Areas with poor social sector indicators in U.P. should be located. These districts constitute the "hard core" domain of social backwardness they should be additionally funded on the social front they need special funding and constant look after.

18. In 2001, expenditure in social sectors has averaged over 40 per cent of total state-expenditure (revenue + capital) in Kerala, as compared to 36 per cent in West Bengal, 27 per cent in UP and 30 per cent in Bihar. It is evident that proportions of expenditure in social sector to total expenditure are lower in U.P. should be raised by curtailing unproductive expenditures.

19. During the decade 1990-2004 Centre plan grants have, contributed around 10 to15 per cent of total state government expenditure in the social service sectors. The slow growth in Central social sector grants has had an adverse impact on the socially sector development in U.P.

It is suggested that Centre plan grants should be raised to 20 to25per cent of total state government expenditure in the social service sectors so as to achieve rapid social sector development in Uttar Pradesh.
Health Sector-

1. Although the United Progressive Alliance (UPA) Government in its National Common Minimum Programme (NCMP) identifies health as an important thrust area the allocations for health have decreased from the level of 1.3% of GDP in 1990 to 0.9% in 2004, which translates into Rs. 200/- per capita, is expended on health.

Keeping in mind the poor health indicators / health services in India and in U.P. it is recommended to expend 3% of the GDP on health sector. General improvement in health would ensure rapid sustainable economic growth, much more earnings in GDP than 3% of the GDP expended on health.

2. It is revealed from the present study that in Uttar Pradesh public health infra structure although apparently big, is mismanaged and lacks complimentary inputs (such as staff, equipment, supplies etc.) The key reason for this has been under-investment in health infrastructure; managerial neglect towards infrastructure,

Uttar Pradesh Government should pay much more attention to development and maintenance of Health
infrastructure substantial, amounts of additional resources should be allocated to bridge the gap in infrastructure and make facilities fully functional.

3. Primary Health Care PHC- Most of the Primary Health Care PHC's in U.P. are grossly under utilized and ill equipped.

(i) It is recommended that Primary Health Centre (PHC), which is supposed to be the cornerstone of our health-care system should be adequately, provided with Doctors / Para Medical Staff, essential medicines / life saving drugs, vaccines, oxygen cylinders well equipped OT, equipment and Ambulance. Financial provisions should be made for the up keep and maintenance of PHCs /CHCs.

(ii) It is recommended to make PHCs capable of providing integrated comprehensive and effective primary healthcare to the poor and vulnerable and marginalized sections of the society, especially women and children by improving access, availability, quality and accountability of public health.

(iii) Doctors posted in Govt. Hospitals / PHCs / C.H.C.s should be asked to live in PHC Campus to make them available to the service of the needy patients. As they have been paid salary
from public funds so they should be asked to concentrate on Hospital Services denying them privilege of doing Private practice otherwise there is no sense in making payment of Non Practicing Allowance to them.

(iv) Public Hospitals, PHCs and CHCs should be strengthened to ensure Vaccination of all new born children, Capable of handling National Vector Borne Disease Control Programme (NVBDCP) initiated in 2003-04

(v). Provision of Mobile health should be made in every Thethsheel level PHC of U.P. For visiting remote and epidemic affected villages.

(vi) It has been observed that PHCs are found more involved in family welfare programmes as a result general health services are ignored. Separate wings for Family Welfare Programmes and General Health Services should be established.

(vii) Family Welfare Programmes has great importance in the most populous state of U.P. Steeps should be taken to create awareness about the small family benefits. Use of condoms, should be popularized it will control population explosion as well as ensure safe sex, which will prevent AIDS.
(viii) It is recommended to levy user charges for health care services from people above poverty line. Middle income group should be charged at subsidized rates while people below poverty should get medical services free of cost. Collected funds should be used locally for betterment of health services.

(ix) Referral Transport—Ambulance services are in very poor stage and misused in U.P. (only 33% PHCs have fit van). Mostly ambulance is not provided to serious referred patients and they are bound to hire Taxi at high rates.

It is recommended that the facility of Ambulance should be provided to needy referred emergency patients at subsidized rates. Gram Panchayats of remote sub centre should be provided Rs 5000/= each for transport of pregnant women/serious patients to PHC/Hospital.

(x) To increase mobility of ANM and ASHA (to be appointed), in the villages interest free loan should be given to them for purchase of Moped/Scooter.

(xii) Special emphasis should be given to use newer technologies such as mobile telephone, computers and
other ICT tools in communication needs for extending health services to poor and needy especially in rural areas.

4. It is recommended to make public health sector efficient, cost-effective and socially accountable. The response to the malaise of the public health services should not be 'privatization' but to have reforms ensuring improvement and service culture. The Government should utilize private sector as well as NGOs for improving reach of health delivery system.

5. Immediate steps should be taken by the UP Govt. for improvement of public health services with better planning, reallocation of existing resources as well as pumping in additional resources.

6. It is suggested that Uttar Pradesh Government should start empowering Panchayat Raj Institutions; in the planning and monitoring ongoing programmes and taking timely corrections for optimal utilisation of services.

7. Districts hospitals which act as referral units should be equipped with modern equipments, specialist services, blood banks, CT SCAN, pathology, cardiology, cancer unit and immunization facilities.
8. The Private Sector outstrips the public -

(i) On the basis of the present study it is recommended that health authorities should keep an eye on Private Hospitals/Nursing Homes so as to ensure their working as per Govt. Rules and medical ethics are being followed. It would strive to eliminate irrational and unnecessary practices, demand some amount of relocation of practitioners, standardize and rationalize costs and incomes, eliminate quackery and demand accountability from the provider.

(ii) Study reveals that the private sector tends to focus on profit maximization. It is recommended that, state interventions should be made for saving the poor population from being getting trapped in the net of indebtedness due to illness. Neither they are cheated (some times kidney or other organs stolen on the pretext of operations) nor they become tool of profit making.

9. Emphasis should be given to preventative measures to check the spread of various diseases. Provision of safe drinking water, improvement of hygienic and sanitation must be made. U.P. is facing resurgence of older diseases such as tuberculosis and malaria in more virulent and drug resistant forms as well as feeling the impact of newer diseases like HIV/AIDS, heart and
cancer. U.P. being the most populous state of India adequate financial provisions should be made for research work for developing new drugs / vaccines.

10. Teaching of health and hygiene should be given proper attention and it should be made part of School Education. Emphasis should be given on sanitation and cleanliness, nutrition and proper habits as a normal way of life.

11. In our country malnutrition for the rich means overeating resulting in over weight and several diseases. But for the masses in India, malnutrition means inadequate diets (The fact that 37 percent of the total population is still living below the poverty line should not be lost sight of) Therefore in this country public efforts to make improvements in eating habits and ensuring balanced meals intake.

12. Tertiary Care Level- On the basis of the study following suggestions are made regarding Tertiary Care.

(i) So as to protect the interest of poor Primary and secondary health services be adequately provided by public sector.

(ii) There can be a mix of public and private initiatives in health care in tertiary segments.
(iii) In the Tertiary care sector steps should be taken for tie up with private parties to upgrade technology at their expenses with the agreed revenue sharing model with the provision for poorer section.

13. Greater efforts should be made for pursuing more relevant medical research leading to development of products, drugs, vaccines for prevention, diagnosis and management of illnesses especially major health problems for which currently there is no effective cure is to be encouraged. Allocations should be made in Medical and health budgets of union and U.P. Governments.

14. Keeping in view the ratio of 18667 patients on one Government Doctor in U.P it is suggested to strengthen Indian system of medicine and Department of AYUSH. (Ayurveda, Unani Siddha and Homeopathy Naturopathy, Yoga.)

15. There has been a wide ranging national concern about spurious /counterfeit / substandard drugs. The Drugs and Cosmetics Act has not been able to check the fake/duplicate drugs racket, whose market in India is estimated to 25 percent of total drug market.
It is recommended to take strong steps to completely check the sale of fake/duplicate and Expired medicines. For this Act should be further strengthened, strictly implemented and severe punishment be awarded to people found involved in the fake/duplicate drugs racket.

16. Recycling of used syringes / medical aids is on increase resulting in aids and infections. Used syringes medical aid equipment should be destroyed with the object of stopping its recycling and misuse. It is recommended that Medical/Dental Colleges and hospitals with 200 beds should be legally forced to install Waste Destroying System.

17. It is estimated that health related expenditure is the major cause for rural indebtedness and out of pocket expenditure on hospital care causes almost 25% of hospitalized Indians to fall below poverty line.

Due to low per capita income of Rs 10289/- in Uttar Pradesh in 2004, a single episode of major illness is enough to eat away the life-savings of most individuals in U.P.. It is suggested that Provision for providing free services to 30% of the poor population in private/Corporate hospitals also is to be made. ‘Health insurance, either taken individually or provided as
group cover, is helping some sections. We suggest to implement Universal Health Insurance Scheme (UHIS) Janraksha2002, with minimum documentation extended to all poor would prove a milestone in improving financial access of low income individuals to health care.

18. NGOs, voluntary organizations should not be allowed to misuse the funds /grants. It is advised to form Village health committees at Block and district level. Panchayats are to be fully involved in monitoring. NGOs found involved in misuse of funds should be banned and severely punished.

19. FINANCING -

(i) It is recommended on the basis of the findings that The health budget should be allocated so much of funds, which are capable of meeting the medical & health requirements of poorer sections and middle classes of society, keeping them physically and mentally fit so as they may work as active production factor in Nation building.

(ii) About 80% of public financing of healthcare comes from U.P. government budget, 12% from the Union government and 8% from local governments. Of the total public health budget
today, about 10% is externally financed in contrast to around 1% prior to the structural adjustment loan from the World Bank and loans from other agencies.

Keeping in mind the poor health indicators and financial crunch in most populous state of U.P., Central Share of Public health expenditure should be increased.

(iii) In the state of Uttar Pradesh the share of medical and public health was highest at 9% in the First Five Year Plan. In the remaining plans, the share varied between 3% and 4% and in the Tenth Plan it is 4.2 %. Considering the growth in population and the present State of health care in the State, there is an urgent need to improve the infrastructure for better health care in rural areas in particular. Therefore it is recommended to raise share of medical and public health to 7 % in Tenth and onwards Plans.

(iv) It is suggested that minimum 7 % of GDP/SDP should be expended on Health and Medical services in U.P.

(v) Salary content of the public expenditure on health (Non Plan) is very large which indicates that less money is available for real improvement in health care system. It is suggested that
Plan Expenditure should be adequately raised for developmental works.

(vi). The growth rate of public expenditure on health has been much less than the required need on the population of the State which calls for larger allocations to health sector.

20. Following measures are suggested for increasing the resources for Health and Medical Sector- On the basis of the study following possible ways in which Union and Uttar Pradesh Governments can try to increase the resources at their disposal are suggested.

(i) Considering health as fundamental to economic development other sectors such as agriculture, industry and trade should be asked to contribute 01 percent of their resources to health sector. The 01 percent of the resources shifted to health will improve health facilities resulting in enhanced production and economic development of Uttar Pradesh.

(ii). The other way is to draw on the resources of local communities by having them finance, manage and develop a large and increasing share of their basic health services themselves. People having the capacity to pay should be
charged indirectly through taxes, insurance premium', sur
charges and levies etc

(iii). To keep the promise of 'Health for All' and as an exception for health, external grant money should be treated as zero debt liability, as an addition to the domestic budget. Do not constrain access to and utilisation of external grant money, by the budgetary ceiling on external aid. For life-saving public health causes like HIV/AIDS, TB, Malaria, and maternal and child health, the Ministry of Health needs to pro-actively access external grant money outside of the budgetary process. This will immediately augment resources for the health sector.

(iv) Uttar Pradesh government should assign at least 7 per cent of state expenditures towards health care. Uttar Pradesh has assigned 4.42 per cent towards health care in 2004-05 and it has further enhanced to 6.5 per cent in 2005-06.

(v). It is further suggested that Uttar Pradesh Government should make all-out efforts to obtain increased central plan support for health and medical sector.
(vi) It is suggested that fee-for-adequate public health services at subsidized rates should be charged from the middle income group whereas population below poverty line be provided free of cost.

(vii) Health Sector is in dire need of huge finances at one hand and unfortunately funds are left unutilized at the other hand. Firm steps should be taken to ensure and promote the complete and timely utilization of allocated funds.

(viii). Leakage of funds misuse and corruption practices must be checked.

Education Sector-

1. On the basis of the study of Education scenario of Uttar Pradesh it is recommended to assign highest priority to elementary education so as to achieve the goal of 'Universal Elementary Education' (UEE). Access to primary education for all children up to 14 years should be made a reality. Provision of continuing education and skill development programmes for youth must be ensured.

2. Keeping In view of the Honorable Prime Minister's vision about India as the knowledge Super Power by the year 2010,
the Uttar Pradesh Government should ensure that Virtually all unserved habitations are made saturated by establishing new Primary Schools within one kilometer distance (present norm is 1.5Kms.) from their villages.

3. There was 7120 habitation which had no upper primary schools as per norm during 2002-03 and 2003-04. Thus considerable infrastructure has to be created for primary and upper primary education. About 20% population should be provided new Primary / upper primary schools. However, a gap of 7120 upper primary schools exists which should be covered under SSA. (Sarva Shiksha Abhiyan).

4. The ratio of upper primary schools to primary schools (1:5.3) is very adverse. Even if aided upper primary schools and Govt/Aided Secondary/Hr. Secondary schools with attached upper primary sections are taken in to account, the ratio remains 1:4.

Therefore it is recommended to open adequate number of upper primary schools to improve the ratio of upper primary schools to primary schools. It would extend school facility after primary and will result in declined Drop Rates after class fifth.
5. Literacy may be defined as the simple ability to read and write, which is the beginning of the acquisition of formal knowledge, is still poor in Uttar Pradesh. That percentage of Male and Female literacy in U.P. has increased from 19.71% and 4.07% in 1951 to 70.23% and 42.98% respectively in 2001 but it is far behind the India’s level of Male-75.85% and Female 54.16% in 2001.

It is suggested to work for increasing literacy especially among girls. It further stresses the need of developing Basic Education in the state of U.P.

6. Economically and educationally least developed and at the same time one of the most populous state of Uttar Pradesh with (56.27 percent literacy rate in 2001 census as compared to Indian literacy rate of 64.84 percent in 2001 census) provides a hard reality of illiteracy. The efforts will have to be made achieve at least 75% literacy rate by the end of the Tenth Five Year Plan.

7. Suggestion Adult Education-

(i). The number of non-literates entering the 15-35 age groups has been declining in U.P. At this stage it is, therefore,
necessary to ensure that neo-literate do not relapse into illiteracy and also acquire vocational skills.

It is recommended that the first phase of basic literacy instruction and the second phase of consolidation, remediation and skill upgradation should be undertaken as one integrated project, to ensure smooth progression from one stage to another to achieve continuity, efficiency and convergence.

(ii). Eight low female literacy districts in UP (female literacy rate below 30 per cent) need to be paid special attention. Panchayati Raj functionaries should be involved in female literacy projects with the object of making the project successful.

(iii). In Uttar Pradesh main thrust should be given to setting up Continuing Education Centres providing further learning opportunities to neo-literate.

(iv) It is suggested that the National Literacy Mission (NLM) should assignee Jan Shikshan Sansthan Scheme (JSSSs) and NGOs an active promotional role in the literacy movement. The (JSSSs) should ensure that particularly neo-literate,
semi-literates, SCs, STs, women and girls, slum dwellers, migrant workers, are properly imparted literacy in U.P.

8. The Sarva Shiksha Abhiyan promises to achieve goal of UPE by 2007 and the goal of UEE by 2010. (Five Years Ahead of The International Commitment Made at Dakar). Under ‘Universal Elementary Education’ (UEE) resolves that free and compulsory education of satisfactory quality should be provided to all children up to 14 years of age. Keeping above in view, the Uttar Pradesh Government had launched a World Bank assisted project called Basic Education Project since 1993, for expansion of quality basic education in the state. For the smooth running of this project, "Uttar Pradesh Sabhee Ke Liye Shiksha Pariyojana Parishad (U.P. Education for all Project Board) has been established on 17 May, 1993.

It is recommended to have strict monitoring and vigilance on the implementation of the Universal Elementary Education (UEE) programme in Uttar Pradesh. All children up to 14 years till they complete the primary stage through formal or non-formal education and provision of continuing education and skill development for youth, equality in education and
female empowerment should be ensured so as to make the mission a success

9. It is suggested to make necessary intervention to provide equal educational opportunity to children belonging to the Scheduled Castes, Scheduled Tribes and the poorest sections of society.

(i) It is suggested that in Uttar Pradesh a drive is being launched so as to enlighten the people and create wide spread awareness of education among children belonging to the Scheduled Castes, Scheduled Tribes and the poorest sections of society particularly in rural areas and among urban poor.

(ii) NGOs, other social and philanthropic institutions and media should focus on this area of creating awareness.

(iii) Laying special emphasis on all educational activities on culture and communication; science and environment and inculcation of a sense of social justice.

10. Enrollment- In the year 1999-2003, 25 per cent of the boys and 50 per cent of the girls of the eligible age group children are not enrolled in any schools at the primary level. The situation is far bleak at the upper primary level that 50 per cent of the boys and 75 per cent of the girls are not enrolled at upper primary level.
It is suggested that efforts should be made to make the primary schools well equipped with teachers and learning material, capable of winning the confidence of parents only then the target of total enrolments by the end of Tenth Plan may be achieved.

11. Primary / Upper Primary / Basic school teachers have been deployed in election, census and other works. In the present political scenario in Uttar Pradesh Gram Panchayat / Local Body / Assembly / Parliamentary elections are held on unusual interval in which teachers have been deputed. It results in unusual closer of schools due to this several teaching days are lost.

Election Commission / Government should either plan elections in vacations or teachers should not be deployed in election and non teaching works.

12. The total attendance rate has declined from 79% in 1998-99 to 62% in 2001-02 in Primary schools. In the corresponding period it has come down from 72 % to 63% in Upper Primary Schools. Female child attendance has remained less than male child. It is because girls are not assigned due weight by the parents.
With the object of improving girls attendance it is suggested to pay ‘attendance allowance’ to present girl students. With the object of improving total attendance rate it is suggested to make school atmosphere charming and teaching ‘children friendly’. Mid day meal and games can make the difference. It is suggested to provide incentive and equal educational opportunity to female children belonging to the Scheduled Castes, Scheduled Tribes and the poorest sections of society.

13 Deployment of teachers in adequate numbers in Primary / Upper Primary schools is the first step to improve quality of education. U.P. Govt. should appoint About 1.2 lakh teachers under SSA to improve pupil teacher ratio during 2002-2007, to bring Pupil Teacher Ratio to desired norm 1:40. It is further suggested to appoint regular teachers in place of Shiksha Mitras.

14. The problem of Drop outs needs remedial action. 86th Constitutional Amendment Bill provides 10 years compulsory Education for all children up to the age of 14 years. Act alone can not achieve the goal unless the education is delivered in a manner, which will take into account the socio economic reality, and perception of people to whom it is addressed. It is
recommended to introduce vocational courses linked with daily earning for needy and poor students of Upper Primary and Junior schools. Mid day meals should be nourishing and hygienically cooked and served.

15. Mobilizing Resources-

1. Uttar Pradesh being most populous, socially and economically backward state of India, the additional resources required to universalize elementary education are inadequate on the basis of the findings it is recommended:

(i) To achieve the target of universalize elementary education by 2015 in Uttar Pradesh; it would require significant reallocations in overall expenditure with central assistance, since the fiscal situation in Uttar Pradesh is highly imbalanced.

(ii) The state and central government should bear the entire responsibility of funding and ensure the twin principles of equity and efficiency in the public education system in the state.

(i) This requires an indomitable political commitment in terms of reorientation of spending priorities and improving the efficiency of resource use in the state.
(ii) Union and U.P. Governments alone can not meet the requirements of education therefore Corporate Sectors and NGOs should come forward to meet the requirement of national mission for education. They should plan, finance and provide quality education in villages.

2. The expenditure on education the major problem in the Uttar Pradesh is low economic growth, 4 per cent growth of SDP (1.2 per cent growth of per capita SDP) and hence the overall resources available within the state are meager. Given the extent of backwardness and dysfunctional governance in the state, makes it more difficult for any signs of improvement and development in the state.

Steps should be taken for fast, sustainable economic and social development of Uttar Pradesh. Special stress should be assigned to infrastructure and social sector development. This will result in increased SDP. With the increased SDP the state of U.P. will become able to expend more and more on education.

Thereafter, a lower percentage of SDP allocation to education will be adequate to sustain the high degree of literacy in U.P.
3. The expenditure on education as a percent of Gross Domestic Product has a direct impact on Literacy. In 2004-5 expenditure on education in India is little more than 4 per cent of GDP. Whereas in 2004-5 expenditure on education in U.P has remained approximately 2 percent of SDP. If U.P. has to achieve 100 per cent literacy rates, it is necessary to increase its expenditure on education to 6 to 7 per cent of SDP. This 4 to 5 per cent increase has to be sustained only for few years. Thereafter, a lower percentage of SDP allocation will be adequate to sustain the high degree of literacy in Uttar Pradesh.

4. The non-performing states like Uttar Pradesh have been allocated a higher share of transfers (based on backwardness index, infrastructure index, etc.), by the finance commissions.

To bring back the 2 crores of out-of-school children into schools and for developing elementary education, the resource allocation by the finance commissions to state of U.P. should be enhanced. By good governance, and making productive use of the funds better results and goal of universal education may be obtained.

5. In Uttar Pradesh, the majority of expenditures are allocated for non-plan, i.e., salary and other expenditure as education is
predominantly a labour-intensive sector. Where as for plan
(for developmental activity, viz., building of schools,
acquiring additional class rooms, infrastructure, etc.) only 5-
13% is been allocated. Even with central funds, the growth
rates in plan expenditures during 1990- 2004 are less
compared Non Plan. Due to implementation of Sarva Shiksha
Abhiyan (SSA), plan and non-plan (higher rate of growth)
expenditures in 2000 and onwards have rising trend.

In this situation it is required that the state funds should come
forward with enhanced central support for making funds
available for Budget Plan (for developmental activity, viz.,
building of schools, acquiring additional class rooms,
infrastructure, etc.). On the pattern of 2%CESS of Union
Government, U.P. Government should impose2% Education
Tax to support infra structure development work of Basic
schools.

6. Uttar Pradesh is lagging behind by fifteen years that of the
educationally progressive states in terms of the plan resource
allocated to education. It was 13% in the State First Five Year
Plan, the highest among all Plans. The share declined in
subsequent Plans and was the lowest, at 4% in the Fifth and
Sixth Plans. It rose again to reach the highest 9% in the Eighth Plan. Enhanced provisions have been made in the Ninth and Tenth plans.

To achieve the goal of UEE it is more important to maintain and further enhance the plan resources for education in the State of U.P. The sectors excluding Social Sector may contribute 1% for education which they can meet out by avoiding wastages and following the principle of economy.

7. Allocation of resources within education sectors reflects the relative priorities assigned to different levels of education. Uttar Pradesh needs to allocate a higher share to elementary education, which is found to be true in the state under various five year plans. But the disturbing trend is that it fluctuates a great deal over various State plans. In the eighth plan, the share touches 60 per cent of the total expenditure, which again declines to 50 per cent in the ninth plan.

In the state of U.P. so as to catch the goal of UEE proposed Tenth Plan Outlay for Elementary Education has been kept 86.8 per cent of the total education outlay of RS321750.00 Lac. Additional resources are to be raised by avoiding unproductive expenses and opting for economy.
(8). Per student public expenditure on elementary education in 1980-81 was a mere Rs.158 and increased at the rate of 14 percent in 2001 to Rs.2015. But the per student expenditures converted to real prices suggest that increase is about 5 percent over the same period.

Expenditure on elementary education in relation to the number of enrolled students is yet another important and comparable indicator across place and time. There is an urgent need that every school should have amenities for students, such as good buildings equipped with ventilated, lighted, airy and spacious class rooms besides library, computers and infra structure, safe drinking water, clean toilets, play ground. This is possible by enhancing per student public expenditure on elementary education So far,

16. Even the National mid-day meal scheme, which is being implemented in Uttar Pradesh since 15th August, 1995 under the National Programme of Nutrition has had a beneficial effect in bringing girls to primary schools and keeping them there. From several places complaints about irregularities such as irregular and sub standard meals served and children
becoming ill after consuming mid day meals have been made regularly.

Minimum quality norms, “micronutrient supplementation”, such as Vitamin A, iron and iodine nutritional value of mid-day meals compliance with Supreme Court orders, effective monitoring arrangements, health safeguards, linking of mid-day meals with an active school health programme, etc. should be maintained and followed in schools of U.P.. Central assistance necessary financial allocations should be made in the 2005-06 budget. It is further suggested to raise the minimum norm from Rs 1 to Rs 2 per child per day for “conversion costs” all over the country.

17. Higher-level educational institutions could be granted functional autonomy. They could be allowed to raise funds through fees, grants etc so that they become self –sustaining to the extent possible. To ensure access for poor to these educational institutes Government can however provide scholarships entirely based on economic criteria cum merit. Further these institutes could be allowed to accept donation / contribution from private charitable sources.
In the end it may be hoped that these suggestions based on the findings of the research work will be helpful in improving the implementation of Health and Education, the two traditional components of Social Sector and it would make a positive impact on human welfare and rapid economic development in the most populous state of Uttar Pradesh.