

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1773  
ANSWERED ON:12.12.2003  
GDP ON SOCIAL SECTOR  
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**Will the Minister of FINANCE be pleased to state:**

- (a) the percentage of GDP on social sector expenditure during the past three years, separately;
- (b) the comparative report of the same with the other Asian countries for the above period;
- (c) whether the public spending on social sector has declined;
- (d) if so, the reasons therefor; and
- (e) the corrective steps taken by the Government in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO.V.ADSUL)

(a) Total expenditure of Government (Centre and States combined) on Social Sector as percent of GDP at current market prices during past three years is indicated below.

Year	Per cent of GDP
2000-01	7.7
2001-02	7.7
2002-03 (RE)	8.3

# Social sector expenditure comprises outlay on social services, rural development and food subsidy.

# Source: RBI Annual Report, various issues

(b) The comparative report of social sector expenditure with selected Asian countries (as per cent of GDP) is indicated below.

	1996	1997	1998	1999
CHINA	2.8	2.9	3.4	6.3
MALAYSIA	7.8	7.1	NA	NA
INDONESIA	2.7	2.9	2.6	2.9
KOREA	5.2	5.6	NA	NA
SINGAPORE	6.5	4.6	5.2	5.4
INDIA	5.2	5.3	5.7	6.0

# The social sector here comprises of education, health and social security and welfare

# Source : Government Finance Statistics 2002 and International Financial Statistics Nov 2003 published by the International Monetary Fund.

(c) No Sir, as may be noted from the above tables the social sector expenditure as percentage of GDP in India has been on upward trend over the years.

(d) Does not arise.

(e) The government has announced several measures toward enhancement of expenditure on social sector in the Budget for 2003-04. The budget provided additional budgetary allocation of Rs.507 crore for expanding the Antyodaya Anna Yojana from April 1, 2003. A Community based `Universal Health Insurance Scheme` was launched on July 14th 2003, to improve the access to health care of general population and poorer sections of the society in particular. Government will provide a subsidy of Rs.100 per year towards annual premium for below poverty line families. Another special pension policy - Varishtha Pension Bima Yojana was launched on 14th July, 2003 by Life Insurance Corporation of India for persons aged 55 years and above. For monthly pension single premium is payable in lump sum-with minimum of Rs.33,335/- and maximum of Rs.2,66,665/-. Several other programs have also been announced in the budget for 2003-04 in rural development, employment generation and poverty alleviation.