

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:2072
ANSWERED ON:07.12.2005
INCOME GAP BETWEEN RURAL AND URBAN POPULATION
Athithan Shri Dhanuskodi

Will the Minister of PLANNING be pleased to state:

- (a) whether there has been a gradual increase in the income gap between the rural and urban population;
- (b) if so, the reasons therefor; and
- (c) the measures proposed to be taken by the Government to reduce the gap?

Answer

MINISER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a): According to the information available from Ministry of Statistics and Programme Implementation (National Accounts Division), the per capita Income measured in terms of Net Domestic Product (NDP) was Rs.1245 for the rural and Rs.2888 for urban areas respectively in 1980-81, at current prices. The corresponding per capita Incomes were Rs.5783 and Rs.13525 for 1993-94, at current prices. No information giving the rural-urban differences in income level is available after 1993-94.

The per capita income measured in terms of per capita NDP for urban areas was 2.32 times higher than in the rural areas in 1980-81. The corresponding ratio for the year 1993-94 was virtually the same at 2.34 times.

(b): In view of the negligible difference in the ratio of per capita NDP in urban and rural areas as indicated in part (a) above, does not arise.

(c): The Tenth five Year Plan gives priority to agriculture and rural development with a view to generating adequate productive employment and eradication of poverty and accelerating the growth rate of the economy with stable prices.