

CHAPTER

21

HUMAN DEVELOPMENT IN INDIA



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*The basic purpose of development is to enlarge 'people's choices'. In principle, these choices can be infinite and can change over time. People often value achievements that do not show up at all, or not immediately, in income or growth figures—greater access to knowledge, better nutrition and health services, more secure livelihoods, security against crime and physical violence, satisfying leisure hours, political and cultural freedoms and sense of participation in community activities. The objective of development is to create an enabling environment for people to enjoy long, healthy and creative lives.**

* Mahbub ul Haq (1934-1998), founding editor of the **Human Development Report**, UNDP, 1990.

INTRODUCTION

Economic growth still remains the immediate focus of the world economies. But, income enhancement can only bring the desired development in the country once it is supported by a conscious public policy aimed at it. Again, the presence of ‘good governance’ in the policy framework can hardly be missed. After the increased acceptance to welfare economics, the standard of life of the masses has emerged as the most popular tool to measure developmental achievements of the economies—the idea is much similar to the concept¹ of ‘human development’ articulated by the UNDP. In recent times, the world has started accepting the role of people’s *attitudinal* and *behavioural* dimensions, too in the gamut of development promotion.² Further, we see an increased and consensual acceptance among the nations on the issue of delivering ‘happiness’ and ‘life satisfaction’ to the citizens.³ It means, over the last few decades the whole idea about the ‘ultimate’ aim of the economies has gone for a kind of metamorphosis. Human development, increased social welfare and well-being of the people have been the ultimate objective of development planning in India. Increased social welfare of the people requires a more equitable distribution of development benefits along with better living environment. Development process, therefore, needs to continuously strive for broad-based improvement in the standard of living and quality of life of the people through an inclusive

development strategy that focuses on both income and non-income dimensions. Making growth and development percolate to the ‘*marginalised and disadvantaged sections*’ of society (i.e., the SCs, STs, OBCs, Minorities and Women) remains the official policy of ‘inclusive growth’ for the country.⁴

The challenge is to formulate *inclusive* plans to bridge regional, social and economic disparities. The Approach Paper to the 12th Plan (2012–17) rightly stresses the need for more infrastructural investment with the aim of fostering a faster, sustainable and more inclusive growth. The GoI has been conscious about the development of the social sector which includes areas like, health, education, shelter, social welfare, social security, etc. Once the economy commenced the process of economic reforms we see an increased attention on the strengthening of social sector—enhancing the social infrastructure and situation.⁵ But India is faced with a variety of interconnected and interdependent issues and challenges in the areas, such as, inclusion, expansion, implementation, accountability, governance, decentralisation, etc.⁶

Changing times⁷: Equitable growth has been the focus of Indian economic policy since the 1960s. By 2020, India is projected to be the youngest nation in the world in terms of size. While this ‘youth bulge’ provides India *great opportunities*, it also *poses challenges*. These young people need to be healthy, suitably educated, and appropriately skilled to contribute optimally to the economy.

1. Amartya Sen, *Development as Freedom*, Oxford University Press, N. Delhi, 2000, pp. 3–11.

2. *World Development Report 2015: Mind, Society, and Behaviour*, world Bank, Washington DC, 2015.

3. *World Happiness Report-2012 & 2013*, Sponsored by the UNO, N. York, 2013 & 2014.

4. *Eleventh Five Year Plan (2007–12)*, Planning Commission, GoI, N. Delhi.

5. Increased allocations of fund as well as enhanced performance is reported by the *Economic Surveys of 1991–92 to 2014–15*, MoF, GoI, N. Delhi.

6. Amartya Sen and Jean Dreze, *An Uncertain Glory: India and its Contradictions*, Allen Lane, Penguin Books, London, 2013, pp. vii–xiii.

7. *Economic Survey 2014–15*, MoF, GoI, N. Delhi, pp. 131–146.

Despite global shocks, India has not compromised on expenditures on welfare activities, especially for the vulnerable population. The success of programmes and policies of the government lies in the strength of institutional structures with strong public delivery systems as well as in the attitudes and mindset of the people. To ensure conversion of outlays into outcomes the role of the *PRIs* is crucial. Though significant outcomes have been achieved in the areas of poverty reduction, health, and education, more remains to be done. Government, along with *civil society*, *media*, and *other stakeholders*, must work towards changing the *patriarchal mindset* of society and empowering women to realize their untapped potential and fulfil their aspirations. New windows of opportunities are waiting to be tapped by India and its human resource.

HUMAN & GENDER DEVELOPMENT

In the *Human Development Report-2014 (HDR-2014)*, India is at **135th** rank (out of 187 countries) with a value of 0.586 in the Human Development Index (HDI), the lowest among the BRICS countries, with Russia at 57, Brazil at 79, China at 91, and South Africa at 118, and slightly ahead of Bangladesh and Pakistan. Significantly, while China improved its ranking by ten places between 2008 and 2013, India's position improved by just one rank. Thus a lot remains to be done to bridge the gap. Major highlights of the HDR-2014 are as given below:

- India's HDI is also below the average of countries in both the medium human development group (0.614) and in South Asia (0.588).
- Between 1980 and 2013, India's life expectancy at birth (LEB) increased by 11.0 years,
- mean years of schooling increased by 2.5 years, and expected years of schooling increased by 5.3 years

- while gross national income (GNI) per capita increased by about 306.2 per cent.
- As compared to BRICS nations and some neighbouring countries, India reports the least mean years of schooling and an LEB that is just above that of South Africa. Bangladesh, with less GNI per capita than India, has a much higher LEB and mean years of schooling.
- China, which recorded a slightly higher HDI than India in 1980, has widened the margin in 2013. The existing gap in health and education indicators between India and developed countries and also many developing countries highlights the need for much faster and wider spread of basic health and education, as reflected by China and Sri Lanka.
- In terms of gender equality, the HDR ranks India **127** out of 152 countries with a **Gender Inequality Index (GII)** of 0.563. The GII for 149 countries reveals the extent to which gender inequality erodes national achievements in reproductive health, empowerment and labour market participation. A comparison with India's developing country peers in the G-20 grouping also shows India in poor light on gender equality issues. Unlike the HDI, a higher GII value indicates poor performance.
- The **Gender Development Index (GDI)**, defined as a ratio of the female to male HDI measures gender inequality according to three basic parameters of human development:
 - (i) Health (Life Expectancy at Birth),
 - (ii) Education (expected years of schooling for children and mean years for adults aged 25 years and older); and

- (iii) command over economic resources (estimated GNI per capita).

Country rankings are based on absolute deviation from gender parity in HDI. The GDI is calculated for 148 countries. The female HDI value for India is 0.52 as compared to 0.63 for males, resulting in a GDI value of 0.828. In comparison, Bangladesh and China are ranked higher with values of 0.908 and 0.939 respectively. India is in the bottom 25 per cent of all countries on the HDI, it ranks in the bottom 20 per cent on the GII (Gender Inequality Index). These statistics reflect the high levels of gender inequality in India and the poor status of women and girls in Indian society.

- India is a signatory to the Convention on the Elimination of All Forms of Discrimination against Women (*CEDAW*), which is often described as an international bill of rights for women. It defines discrimination against women and sets the agenda for national action to end violations of women's rights. An important element of *CEDAW* is its affirmation of:
 - (i) Women's reproductive rights,
 - (ii) Right to determine the number,
 - (iii) Spacing of children, and
 - (iv) Equal access to family planning.
- In India, unfortunately, there is an increasingly disproportionate emphasis on *women's sterilization*; thus tubectomies account for a whopping 97.5 per cent of all sterilisation operations in 2013–14 (a massive jump from 78.6 per cent in the 1980s). This runs counter to our goals of achieving gender equality and women's empowerment. Sterilisation constitutes

75 per cent of India's contraceptive use. It is unparalleled in any country in the world today. The closest is Latin America where it forms 40 per cent of all contraceptive methods.

- Another concern is the **secular decline** in the child sex ratio (CSR— girls per 1000 boys aged 0–4 or 0–6) in India from 976 in 1961 to 918 in 2011; the SRS (2013) reports a figure of 909 for 2011–13. Globally CSR is calculated as boys per 100 girls. Comparatively, in Asia and the Pacific, the CSR (boys per 100 girls aged 0–14) was 110 in 2012, much higher than the sex ratio under natural conditions (105). While China's CSR declined from 121 in 2010 to 117 in 2012, India's CSR increased from 109 to 111 over the same period.
- **Violence against women** was defined by the UN General Assembly in 1993 defined as 'any act of genderbased violence that results in, or is likely to result in, physical, sexual or psychological harm or suffering to women.' Consequently, apart from violence against married/adult women, excess female child mortality, female infanticide, and child marriage are also considered violence against the female gender.
- The implementation of the Protection of Women from Domestic Violence Act 2005 (PWDVA) is weak, as nineteen states have no planned schemes. Appropriately a new scheme, *Beti Bachao Beti Padhao Programme (BBBP)*, for promoting survival, protection, and education of the girl child was launched in January 2015 at Panipat, Haryana, a state that is noted for the lowest CSR – 835 (SRS 2013). The BBBP has the following **objectives**—

- (i) To celebrate the girl child,
- (ii) Facilitate her education with the objectives of preventing gender-biased sex-selective elimination, ensuring survival and protection, and
- (iii) Education of the girl child.

The BBBP *aims* to address—

- (i) declining CSR through a mass campaign targeted at changing social mind set, and
- (ii) creating awareness about the criticality of the issue.

POPULATION POLICY, WOMEN & CHILD SEX RATIO

The data from the 'Ministry of Health & Family Welfare, GoI' and the '*Statistical Yearbook UNESCAP*' (as referred by the *Economic Survey 2014–15*) conclude shows a renewed focus on *controlling the rise in population*, directed in particular at women, and through means that blur the lines between persuasion and coercion. Persuasion takes the form of incentives offered not just to poor couples for sterilisation but rewards to local bodies for their performance, euphemistically described as 'promotional and motivational' measures, resulting in the organization of mass camps for female sterilization. India's population policy seems *focused* on extending family planning measures, mainly contraceptives for women, leaving them with little reproductive choice or autonomy. The data from the official sources paint a very grim picture in this regard:

- (i) The November 2014 tragedy in Bilaspur, Chhattisgarh in which 13 young women with very young children lost their lives, and forty-five more were taken critically ill, highlights a specific and serious problem that needs urgent attention, female sterilisation.

- (ii) The 3rd Round of the *National Family Health Survey* (NFHS-3, 2005–06) reports that even in developed states like Tamil Nadu and Maharashtra female sterilisation accounts for 90 per cent and 76 percent of all contraceptive use, respectively; the median age at sterilisation for women was reported at 24.9 years in both Tamil Nadu and Maharashtra.
- (iii) Of the total *sterilisation* operations performed in 2012–13, tubectomy/laposcopic sterilisations account for 97.4 percent, while male vasectomy operations, considered less complicated risky, account for only 2.5 percent.
- (iv) Government *expenditures* are also skewed toward female sterilization. Out of the budget of Rs 397 crores for family planning for 2013–14, 85 percent (Rs. 338 crore) is spent on female sterilization. By contrast 1.5 percent of the total budget is spent on spacing methods and 13 percent on infrastructure and communications.

The Fallouts of Population Policy: The negative fallouts of pursuing a population policy that largely focuses on birth control also contributes to declining *child sex ratios*—if every family is to have fewer children, there is a greater anxiety that at least one of them should be *male*. In this instance, there may be a case for the government to undo as much as to do for example, by not setting targets expected levels of achievement (ELA), withdrawing incentives for female sterilization and for mass camps. In addition, the *Economic Survey 2014–15* suggested the following actions to the government:

- (i) Review the family planning program and re-orient it in such a way that it is

aligned with reproductive health rights of women, and needs of India's population.

- (ii) Increase budgets for quality services, static family planning clinics and quality monitoring and supervision.
- (iii) Address youth needs, induct more counsellors for sexual health, more youth-friendly services, and adequate supply of spacing methods.

POVERTY ESTIMATES

Since India commenced the process of economic reforms, a major shift has taken place in the country's policy-orientation towards poverty alleviation and employment generation—in place of *wage employment*, the focus has shifted to *self-employment*—so that 'gainful employment' could be created and poverty could be alleviated permanently⁸.

The Planning Commission used to estimate poverty using data from the large sample surveys on household consumer expenditure carried out by the National Sample Survey Office (NSSO) *every five years*. It **defines** poverty line on the basis of monthly per capita consumption expenditure (MPCE). The methodology for estimation of poverty followed by the Planning Commission has been based on the recommendations made by experts in the field from time to time—the recent estimates based on the recommendations of the Expert Group headed by *Prof. Suresh D. Tendulkar* which submitted its report in December 2009. The *Economic Survey 2014–15* has released the latest estimates of poverty in the country (for the year 2011–12). These estimates have been prepared following the *Tendulkar Committee* methodology (2009) using household consumption expenditure survey data collected by the NSSO in its 68th Round (2011–12). Over

a span of seven years, between 2004–05 and 2011–12:

- (i) The total poverty declined from 37.2 to 21.9 per cent.
- (ii) Rural poverty declined sharper from 41.8 to 25.7 per cent.
- (iii) Urban poverty declined from 25.7 to 13.7 per cent.

PROMOTING INCLUSIVE GROWTH

The focus of the Indian development planning has been on formulation of programmes and policies aimed at bringing the 'marginalized and poor sections' of society into the mainstream. The government has been implementing many such programmes for social and financial inclusion. The disbursement of benefits needs a systematic channel which will provide for financial empowerment and make monitoring easier and the local bodies more accountable. The *Pradhan Mantri Jan Dhan Yojna (PMJDY)* launched in August 2014 and the *RuPay Card* (a payment solution), are important schemes in this regard. These two schemes are complementary and will enable achievement of multiple objectives such as financial inclusion, insurance penetration, and digitalization.

Given the multiple schemes implemented to foster **inclusive growth**, the role of Panchayati Raj institutions is critical. India needs to strengthen this as an enabling tool to realise enhance inclusion in the development process.

STRENGTHENING THE PRIS

The 73rd and 74th Constitutional Amendments marked a watershed in the history of decentralized governance, planning, and development in India as these made panchayat bodies the third tier of government with reasonable power and

8. *Economic Survey 1999–2000*, MoF, Gol, N. Delhi.

authority in addition to creating space for women and marginalized groups in the federal set-up. Decentralized democracy was also extended to Fifth Schedule areas through the provisions of another Panchayat (Extension to the Scheduled Areas) Act 1996 known as the Extension Act which not only made the gram sabha a strong body, but also put '*jal, jungle, and jamin*' (water, forest, and land) under its control.

These central acts, however, instead of clearly specifying the powers and functions of panchayats and municipalities, have left it to the discretion of state governments. Articles 243 G and 243 W of these acts decree that the legislature of a state may, by law, endow the panchayats/municipalities with such powers and authority as may be necessary to enable them to function as institutions of self-government. Such law may also contain provisions for devolution of powers and responsibilities upon panchayats/municipalities, subject to such conditions as may be specified therein, with respect to the preparation of plans and implementation of such schemes for economic development and social justice as may be entrusted to them. These may include inter alia *schemes* and *plans* in relation to socio-economic development and providing basic services as listed in the Eleventh and Twelfth Schedules of the Constitution.

Article 243 ZD of the 74th Amendment Act providing for constitution of district planning committees (DPC) by the state government in every district is a milestone in decentralized planning with people's participation. These committees are expected to consolidate the plans prepared by the panchayats and municipalities in the district and prepare a draft development plan for the district as a whole. DPCs have been set up in most of the states. Much of implementation of these panchayat acts, i.e., power-sharing with panchayat bodies, is left to the states. Over the years, the panchayat bodies have not been strengthened in terms of *functions, finances* and

functionaries (triple Fs) with regard to preparation of plans and the listed subjects. The *Economic Survey 2014–15* suggests the following steps towards strengthening the PRIs:

- (i) The panchayat bodies have the potential to become true vehicles for carrying out the government's slogan of "less government—more governance" if states show consensus.
- (ii) In order to convert outlays of the local-centric programmes into outcomes, these institutions need greater *awareness, responsibility, and accountability*, which will also enable better connect of these programmes with the common man.
- (iii) *Greater devolution* of powers to the panchayats and municipalities is need of the hour, in respect of the 'triple Fs' in a phased manner.
- (iv) Majority of panchayat/municipality-centric programmes do have earmarked funds for awareness generation and capacity building. These funds across ministries need to be *pooled together* under the Panchayati Raj Ministry and Ministry of Urban development to make infrastructure and capacity building of panchayats and municipalities a continuous and regular process.

These *steps* will create the following possibilities in the local bodies:

- (a) Enable them to understand not only their role and rights but also their responsibilities and will make them accountable, bringing about qualitative improvement in governance at decentralised level.
- (b) Transform them into *vibrant institutions* and enable them to perform their envisaged role in participatory planning, implementation, execution,

monitoring, and supervision and also carry out social audit of all panchayat/municipality-centric programmes.

DEMOGRAPHICS

The population of India has gone for some major changes in the recent decades. These changes have not only restructured the contours of Indian demographics but have brought new openings and challenges regarding it:

1. As per provisional results of *Census 2011*, the following facts regarding the Indian population dynamics are of high importance. The 2001–11 is the *first* decade in independent India wherein, the population momentum coupled with declining fertility has dampened the pace of net additions to population. Thus, the net addition in this decade is less than that of the previous decade by 0.86 million. At present, a little more than *one out of every six* persons in the world is an Indian.
2. As per *Sample Registration System-2013* (SRS) data—
 - (a) There has been a gradual decline in the share of population in the age group 0–14 from 41.2 to 38.1 per cent during 1971 to 1981 and from 36.3 to 28.4 per cent during 1991 to 2013.
 - (b) On the other hand, the proportion of economically active population (15–59 years) or, India's 'demographic dividend', has increased from 53.4 to 56.3 per cent during 1971 to 1981 and from 57.7 to 63.3 per cent during 1991 to 2013.
 - (c) On account of better education, health facilities, and increase in life

expectancy, the percentage of *elderly* (60+) has gone up from 5.3 to 5.7 per cent and 6.0 to 8.3 per cent respectively in the same two periods.

- (d) The growth rate of the *labour force* will continue to be higher than that of the population until 2021.
3. According to an *Indian Labour Report* (Time Lease, 2007)—
 - (a) 300 million youth will enter the labour force by 2025, and 25 per cent of the world's workers in the next three years will be Indians.
 - (b) Population projections indicate that in 2020 the average age of India's population will be the lowest in the world—around 29 years compared to 37 years in China and the United States of America, 45 years in West Europe, and 48 years in Japan.
 - (c) Consequently, while the global economy is expected to witness a shortage of young population of around 56 million by 2020, India will be the only country with a youth surplus of 47 million (*Report on Education, Skill Development and Labour Force (2013–14) Volume III, Labour Bureau, 2014*).

As per the *Economic Survey 2014–15*, the main issue to address then is not just providing employment but increasing the employability of the labour force in India. Employability is contingent upon knowledge and skills developed through quality education and training. Thus, any solution to the problem lies in a well-designed education and training regime that sets out to meet these objectives. The problem of low employability levels owing to poor quality of education is accentuated by the fact that fewer students opt for higher education in country. To

garner the 'demographic dividend', the Survey suggested the following *policy initiatives* in this regard:

- (i) A declining 0–14 population will impact both elementary (5–14 age group) and higher education (15–29 age group). Elementary education can be further subdivided into primary (5–9 age group) and middle/upper primary (10–14 age group). The first stage of impact will be felt in declining enrolment in primary schools. As stated earlier, total enrolment in primary schools has fallen in 2013–14 while upper primary enrolment has grown. The dependency ratio for India is expected to fall from 54 per cent in 2010 to 49 per cent in 2020. In this scenario, given interstate disparities, states that are already facing this situation need to adopt specific policy measures in the field of education, wherein, instead of expanding the number of primary schools, focus should be on—
 - (a) Improving access to education considering the high dropout rates among senior students;
 - (b) Removing gender disparity especially in the higher age group and in rural areas;
 - (c) Improving quality of education, including pupil-teacher ratios and provision of amenities in schools, especially in view of the declining learning levels.
- (ii) The *lag in demographic transition* between different states that necessitates state-specific policies to optimally garner the benefits of the demographic dividend. Owing to substantial fertility decline in the south during the last two decades, the south is ahead in the demographic

transition compared to the north, thereby the window is already wide open in the south compared to the north. For instance, the projected average age of 29 years in 2020 has already been surpassed in some states like Kerala (33 years), Goa (32.3), Tamil Nadu (31.3), Himachal Pradesh (30.4), Punjab (29.9), Andhra Pradesh (29.3), and West Bengal (29.1). This lag in demographic transition among states in India could turn out to be a *great blessing* from the point of view of coping with the problem of declining population. India is better placed in this respect than most other countries. Thus, two set of policy initiatives emerge for the states—

- (a) The states which are already well into the demographic window should actively pursue policies for employment generation to the already bulging labour force.
- (b) The states just entering the window period have some time to plan and must pursue policies simultaneously in several areas like education, health (including reproductive health), gender issues, and employment generation from now on so that they can fully utilise the opportunity.

SOCIO-ECONOMIC AND CASTE CENSUS

The identification of the real beneficiaries is of paramount importance, for the success of any targeted approach. In line with this approach the *Dr. N. C. Saxena Committee* was constituted to advise on the 'methodology for a BPL census in rural areas'. Since June 2011, for the first time, a Socio-Economic and Caste Census (SECC) is being conducted through a comprehensive 'door-to-door' enumeration in both rural and urban India, authentic information is being made

available on the socio-economic condition and educational status of various castes and sections through the SECC.

This exercise will help better target government schemes to the right beneficiaries and ensure that all eligible beneficiaries are covered, while all ineligible beneficiaries are excluded. Households identified as highly deprived will have the highest inclusion priority under government welfare schemes. Use of the *Aadhar* number in various beneficiary-oriented social sector programmes will also check duplications.

The *SECC 2011* is being conducted simultaneously for rural and urban areas by the respective states, with technical and financial support from the GoI. Enumeration is to be done with the help of about 6 lakh enumerators, who are accompanied by an equal number of technically qualified and computer literate Data Entry Operators (DEO) selected by the country's premier IT majors. The Ministry of Rural Development in association with the Ministry of Housing and Urban Poverty Alleviation, Office of the Registrar General of India (RGI) and the states have shouldered the responsibility of training the enumerators, supervisors, verifiers, and state officials engaged in the census operation. The SECC process ensured transparency and people's participation.

Before finalizing the outcomes, the household data, except caste data, will be placed in the public domain for scrutiny and go through a two-stage appeal procedure in the 'claims and objections' stage. In rural areas, the Gram Sabha will also mandatorily scrutinize the data in a specially convened meeting.

An Expert Committee was also set up to examine the SECC indicators and the data analysis and recommend appropriate methodologies for determining classes of beneficiaries for different rural development programmes. It will consult

states, experts, and civil society organizations while arriving at these methodologies.

EDUCATIONAL ISSUES

The educational challenges of India needs immediate attention. This becomes even more essential to enable the economy to garner the situation of demographic dividend. The following areas are of high **concern**:

- With a 73 per cent literacy (Census 2011), there has been marked improvement in female literacy. Male literacy at 80.9 per cent is still higher than female literacy at 64.6 per cent but the latter has increased by 10.9 percentage points compared to 5.6 percentage points for the former.
- The Right of Children to Free and Compulsory Education (RTE) Act 2009 was enacted by the centre to increase the quality as well as accessibility of elementary education in India in April 2010. *Sarva Shiksha Abhiyan (SSA)* is the designated scheme for implementation of the RTE Act. The framework of the SSA has been **revised** to include reimbursement for expenditure incurred for at least 25 per cent admissions of children belonging to disadvantaged and weaker sections in private unaided schools from the academic year 2014–15.
- Between 2007–08 and 2013–14, according to the DISE (District Information System for Education), total enrolment in primary schools increased from 134 million to 137 million in 2011–12 and then declined to 132 million in 2013–14 while upper primary enrolment grew from 51 million to about 67 million. This is in line with the changing demographic age structure. India has achieved near

universal enrolment and enhanced *hard and soft infrastructure* (schools, teachers, and academic support staff).

- The overall ***standard of education*** is well below global standards. The findings of the **PISA** (Programme for International Student Assessment)-2009 (*India did not participate in PISA 2012*). The assessment which measures the knowledge and skills of 15-year-olds with questions designed to assess their problem-solving capabilities. Its findings are quite alarming—
 - (a) Tamil Nadu and Himachal Pradesh has been ranked at 72nd and 73rd out of 74 participants, higher only than Kyrgyzstan. This exposes the gaps in our education system. These two states at the bottom, with the scores in mathematics and science falls way behind the OECD (Organisation for Economic Cooperation and Development) average.
 - (b) Shanghai-China *tops* the rankings followed by Singapore, while the Russian Federation is ranked at 38th position.
 - (c) PISA adds, “Countries where students near the end of compulsory schooling perform at high levels tend to maintain their lead after these students transition from school into young adulthood.... There is considerable scope for postsecondary education and training systems, as well as workplaces, to intervene to improve the proficiency of young people who leave school with poor literacy and numeracy skills.”

Clearly, the policy prescription lies in shifting attention away from *inputs to outcomes* and focusing on building quality education and skill development infrastructure.

- **ASER** (Annual Status of Education Report) findings have been reporting low levels of learning amongst the 5 to 16 age group in rural India since 2005. The findings of the latest *ASER-2014* are no different. The worrying fact is that these are floorlevel tests (basic 2-digit carry-forward subtraction and division skills), without which one cannot progress in the school system.
- The changing demography and declining child population, the inadequacy of human capital at the base of the pyramid leading to a huge backlog in basic skills could become a big impediment in India's growth. The *Padhe Bharat Badhe Bharat* initiative to create a base for reading, writing, and math fluency is a good step. However, for it to be fruitful, it is critical that the local administration is fully involved and sensitized.
- While the *RTE Act* and the *Juvenile Justice Act 2000* were promulgated to bring children into education rather than employment, they have allowed youth in the 15–18 age-group to slip through the cracks. India has about 100 million young people who fall in this category. Since there are educational and age requirements for entry into most vocational skilling programmes, and job placements are not possible before age 18, the vast majority of this population could land up in the unorganised sector. There is need for research into the type of knowledge or skills required to address the opportunity gaps and to improve productive capacity in the unorganised sector.
- To build capacity in *secondary schools* on par with expanded primary enrolments, several schemes like the Mid-Day Meal

(MDM) scheme, Rashtriya Madhyamik Shiksha Abhiyan (RMSA), Model School Scheme (MSS), and Saakshar Bharat (SB)/Adult Education have also been implemented. The focus of SB is *female literacy*. But the *lack of trained teachers* compounds the problem. To strengthen the cadre of teacher educators by providing early career choice to prospective teachers and to fill the vacancies in teacher education institutions, a new four-year integrated programme, i.e., BA/BEd. and BSc./BEd. has been introduced.

- The Indian *higher education* system is one of the largest in the world in terms of the number of colleges and universities. It is faced with several issues –
 - (a) From 350 universities and 16,982 colleges in 2005–06, the numbers have gone up to 713 universities, 36,739 colleges, and 11,343 diploma-level institutions in 2013–14.
 - (b) There is need to match the supply with demand and to dovetail education policy to employment opportunities. Therefore, higher education needs to be futuristic and envision areas that will generate future employment opportunities and accordingly offer suitable courses for students.
 - (c) The gross enrolment ratio (GER) in higher education has nearly doubled from around 11.6 per cent in 2005–06 to 21.1 per cent in 2012–13, with 29.6 million students enrolled in 2012–13 as compared to 14.3 million in 2005–06.
 - (d) The lower penetration into higher levels of education leads to higher dropouts, especially among the secondary and upper primary students, consequently to accumulation of less educated and

less skilled job seekers at the bottom of the pyramid. The percentage educated also falls progressively with higher levels of education.

EMPLOYMENT ISSUES

Skilling the Youth: India is face with the dual challenge—developing skills on the one hand and using skills on the other (since skills that are not used are lost). As per the *Labour Bureau Report 2014*, the current size of India's formally *skilled workforce* is small—approximately 2 per cent. This number contrasts poorly with smaller countries like South Korea and Japan that report figures of 96 and 80 per cent, respectively. At all-India level around 6.8 per cent persons aged 15 years and above are reported to have received/be receiving vocational training. As per studies conducted by *National Skill Development Corporation (NSDC)* for the period between 2013 and 2022, there is an incremental requirement of 120 million skilled people in the non-farm sector. The current capacity for skilling is grossly inadequate and needs to be speedily scaled up to meet immediate skill needs of the country. The poor skill levels among India's workforce are attributed to dearth of a formal vocational education framework, with wide variation in quality, high school dropout rates, inadequate skills training capacity, negative perception towards skilling, and lack of 'industryready' skills even in professional courses, as per the *Labour Bureau Report-2014*.

Some recent initiatives that aim to enhance access, equality, quality, innovation, etc. in the area of higher and vocational education are:

- (i) Rashtriya Uchchatar Shiksha Abhiyan (RUSA)
- (ii) Technical Education Quality Improvement Programme (TEQIP)
- (iii) National Skill Qualification Framework (NSQF)

To accord focused attention on skill development, a dedicated Department of Skill Development and Entrepreneurship has been created. In addition, the skilling programme for rural youth has been refocused and reprioritized to build the capacity of poor rural youth to address domestic and global skill requirements. The Deen Dayal Upadhyaya Grameen Koushalya Yojana (DDU-GKY) is a placement-linked skill development scheme for poor rural youth.

Other *new* programmes that aim at bringing *minorities* into mainstream development include:

- (i) Nai Manzil (for education and skill development of dropouts).
- (ii) USTTAD (Upgrading Skills and Training in Traditional Arts/Crafts for Development)—to conserve traditional arts/crafts and build capacity of traditional artisans and craftsmen belonging to minority communities.
- (iii) Nai Roshni (a leadership training programme for women; and MANAS for upgrading entrepreneurial skills of minority youths).

EMPLOYMENT GROWTH

A cause for concern is the deceleration in the *compound annual growth rate* (CAGR) of employment during 2004–05 to 2011–12 to 0.5 per cent from 2.8 per cent during 1999–2000 to 2004–05 as against CAGRs of 2.9 per cent and 0.4 per cent, respectively in the labour force for the same periods. The employment data from the NSSO highlights the following *major trends* and *concerns* regarding it:

- (i) During 1999–2000 to 2004–05, employment on usual status (US) basis increased by 59.9 million persons from 398.0 million to 457.9 million as against the increase in labour force by 62.0

million persons from 407.0 million to 469.0 million.

- (ii) After a period of slow progress during 2004–05 to 2009–10, employment generation picked up during 2009–10 to 2011–12, adding 13.9 million persons to the workforce, but not keeping pace with the increase in labour force (14.9 million persons).
- (iii) Based on current daily status (CDS), CAGR in employment was 1.2 per cent and 2.6 per cent against 2.8 per cent and 0.8 per cent in the labour force respectively for the same periods.

India has been going through a process of *structural changes* in employment percentage

- (i) For the first time, the share of the *primary sector* in total employment has dipped below the halfway mark (declined from 58.5 per cent in 2004–05 to 48.9 per cent in 2011–12),
- (ii) Employment in the *secondary* and *tertiary* sectors increased to 24.3 per cent and 26.8 per cent, respectively in 2011–12 (from 18.1 per cent and 23.4 per cent respectively in 2004–05).
- (iii) *Self-employment* continues to dominate, with a 52.2 per cent share in total employment.
- (iv) What is critical is the significant share of workers engaged in low-income generating activities.
- (v) There are other issues of concern like poor employment growth in rural areas, particularly among females. Though employment of rural males is slightly better than that of females, long-term trends indicate a low and stagnant growth. Such trends call for diversification of livelihood in rural areas from agriculture to non-agriculture activities.

In order to improve generation of productive employment under the MGNREGA, the IPPE (Intensive and Participatory Planning Exercise) has been initiated to prepare the labour budget for financial year 2015-16 in selected 2500 backward blocks using participatory rural appraisal technique. Emphasis has been laid on agriculture and allied activities to ensure that at least 60 per cent of the works in a district in terms of cost is for creation of productive assets linked to agriculture and allied activities through development of land, water, and trees.

- (vi) A major impediment to the pace of quality employment generation in India is the *small share of manufacturing* in total employment. However, data from the 68th Round of the NSSO (2011-12) indicates a *revival* in employment growth in manufacturing from 11 per cent in 2009-10 to 12.6 per cent. This is significant given that the National Manufacturing Policy 2011 has set a target of creating 100 million jobs by 2022. Promoting growth of micro, small, and medium enterprises (MSME) is critical from the perspective of job creation which has been recognized as a prime mover of the development agenda in India.
- (vii) Although total informal employment increased by 9.5 million to 435.7 million between 2004-05 and 2011-12, it is significant that informal unorganized sector employment declined by 5.8 million to 390.9 million, leading to an increase in informal organized sector employment by 15.2 million. Consequently the *share of unorganized labour* has declined from 87 per cent to 82.7 per cent.

NSSO Rounds are quinquennial thus, information on the employment/unemployment situation in the country is available only after a *gap of five years*. To make available data in the interregnum, the Labour Bureau on annual basis and has also been bringing out Quarterly Survey Reports on the effects of the economic slowdown on employment in select sectors in India since 2009. The results of the latest quarterly summary on employment, July 2014, indicate an increase in employment by 3.5 million since the first survey. The US unemployment rate is generally regarded as the measure of chronic open unemployment during the reference year; while the CDS (Current Daily Status) is considered a comprehensive measure of unemployment, including both *chronic* and *invisible* unemployment. Thus, while chronic open unemployment rate in India hovers around a low of 2 per cent, it is significant in absolute terms.

LABOUR REFORMS

We see a significant improvement in industrial harmony in India is evident from the fact that mandays lost on account of *strikes* and *lockout* have been steadily declining, from 17.6 million in 2009 to 1.79 million (Provisional) to December 2014. The multiplicity of labour laws and difficulty in complying with them has always been cited as an impediment to industrial development in India. This is why labour reforms has been made and active part of the ongoing economic reform process in the country. In a major initiative for *ensuring compliance* and promoting *ease of doing business*, the government has initiated a number of labour reform measures. Thus, amendments have been proposed to labour laws to align them with the demands of a changing labour market. Individually, states like Rajasthan have also introduced major reforms in three labour legislations—the Industrial Disputes Act, Factories Act, and Contract Labour Act. The major

initiatives in this direction are as given below (the informations from the Central Ministry of Labour and Employment, quoted by the *Economic Survey 2014–15*):

1. The *Apprentice Act 1961* was amended in December 2014 to make it more responsive to industry and youth. The 'Apprentice Protsahan Yojana' was also launched to support MSMEs in the manufacturing sector in engaging apprentices. Government is also working affirmatively to bring a *single uniform law* for the MSME sector to ensure operational efficiency and improve productivity while ensuring job creation on a large scale.
2. A unified labour portal scheme called *Shram Suvidha Portal* has been launched for timely redressal of grievances and for creating a conducive environment for industrial development. Its main features are—
 - (i) Unique Labour Identification Number (LIN) allotted to around 0.7 million units facilitating online registration;
 - (ii) Filing of self-certified, simplified single online return instead of 16 separate returns by industry;
 - (iii) Transparent labour inspection scheme via computerized system as per risk-based criteria and uploading of inspection reports within 72 hours by labour inspectors.
3. *Under Employees' State Insurance Corporation (ESIC) Project Panchdeep:* Digitization of internal and external processes to ensure efficiency in operations, especially services to employers and insured persons. The portal enables employers to file monthly contributions, generate temporary identity cards and

create monthly contribution challans online, issue of pehchan card for insured persons for fast and convenient delivery of services. Through the IP Portal, insured persons can check contributions paid/payable by employers, family details, entitlement to various benefits, and status of claims. Integration of its services will promote ease of business and curb transaction costs.

4. *Under Employees Provident Fund (EPF):* Digitization of complete database of 42.3 million EPF subscribers and allotment of universal account number (UAN) to each member, which facilitates portability of member accounts. UAN is being seeded with bank account, Aadhar Card and other KYC details to promote financial inclusion. Direct access to EPF accounts will enable members to access and consolidate previous accounts.

Online pensioners can view their account and disbursement details online. The statutory wage ceiling under the Employees Provident Fund and Miscellaneous Provisions (EPF&MP) Act was enhanced to Rs. 15,000 per month and a minimum pension of Rs. 1,000 has been introduced for pensioners under the Employees' Pension Scheme-1995 from September 2014.

5. *For Unorganized Workers:* The Rashtriya Swasthya Bima Yojana (RSBY) is a scheme under the Unorganized Workers' Social Security Act 2008. It is a smart card-based cashless health insurance scheme, including maternity benefit, which provides a cover of Rs 30,000 per family per annum on a family floater basis to below poverty line (BPL) families in the unorganized sector. It is proposed to extend the RSBY to all **unorganized** workers in a phased manner.

6. *National Council for Vocational Training-Management Information System (NCVT-MIS)* portal has been developed for streamlining the functioning of Industrial Training Institutes (ITIs), Apprenticeship Scheme, and assessment/certification of all NCVT training courses.
7. The *National Career Service (NCS)* is being implemented as a *mission mode project* to transform the National Employment Service and provide various job-related services such as online registration of job seekers and job vacancies, career counselling, vocational guidance, and information on skills development courses, internships, and apprenticeship.

HEALTH SECTOR

The Approach Paper to the 12th Plan has proposed the idea of 'Universal Healthcare', for the first time in the country. It has earmarked a fund equal to 2.5 per cent of the GDP. But the stressed economic situation could not allow the government to go in for it. Though, the government promised a fund for the health sector equivalent to upto 1.5 per cent of the GDP. Meanwhile, the health indicators show improving traits:

- Total fertility rate (TFR) has been steadily declining and is now at 2.3. While state-wise disparities exist, a declining trend is recorded across states, explaining the declining growth rate of population. India is set to reach the UN Millennium Development Goals (MDG) with respect to maternal and child survival—
 - (i) The MDG for maternal mortality ratio (MMR) is 140 per 100,000 live births, while India had achieved 178 by 2010–12 and is estimated to reach 141 by 2015.

- (ii) The under-5 mortality rate (U5MR) MDG is 42, while India has an U5MR of 52 and is expected to reach 42 by 2015.

This is particularly creditable as in 1990 India's MMR and U5MR were 47 per cent and 40 per cent above the international average, respectively. However, significant effort is required to improve the rate of decline of *still-births* and *neonatal mortality*, which have been lower/stagnant in some states.

- While overall death rates have been declining, owing to improvement in health accessibility and facilities, *Sample Registration System-2013* (SRS-2013) reports that a significant 30 per cent of all deaths occur in the age group 0–4 years; the percentages are higher for *girl children* in both rural and urban areas.

There exists a direct relationship between water, sanitation, health, nutrition, and human well-being. Consumption of contaminated drinking water, improper disposal of human excreta, lack of personal and food hygiene, and improper disposal of solid and liquid waste are major causes of diseases in developing countries like India. The Swachh Bharat Mission (Gramin) launched on 2 October 2014 aims at attaining an open defecation free (ODF) India by 2 October 2019, by providing access to toilet facilities to all rural households and initiating Solid and Liquid Waste Management activities in all gram panchayats to promote cleanliness.

To bring the point home the *Economic Survey 2014–15* has quoted two Indian examples (picking from the Ministry of Drinking Water and Sanitation sources) of good practices in the areas of health and hygiene which can be replicated across the country –

- (i) *Mundla Village of Icchawar Block in Sehore district—100 per cent sanitized village:* Before the launch of the Global Water, Sanitation and Hygiene for All (WASH) campaign in Mundla village on in February 2014, there were four functional toilets in the village. As of 2 October 2014, the village has been declared an ODF (Open Defecation Free) village. The efforts of villagers have converted it into a hygienic and *100 per cent sanitized* village.
- (ii) *Asia's Cleanest Village:* Mawlynnong in Meghalaya is a model that showcases how collective effort can help a village find a place on the tourism map. The village has 80 households, of which 29 are below poverty line (BPL). Being awarded the *Asia's Cleanest Village* award has resulted in an increase in the number of tourists to this village. The villagers have also constructed two tree houses with eco-friendly materials such as bamboo, which provide a magnificent bird's-eye view of the beautiful and clean village and a panoramic view of Bangladesh villages, a few miles away.
- (i) In order to improve the availability of *drinking water in rural areas*, 20,000 solar power based water supply schemes have been approved under the National Rural Drinking Water Programme (NRDWP) across all the states for their habitations located in far-flung / hilly areas or where availability of electricity is a constraint.
- (ii) *Mission Indradhanush* was launched in December 2014 with the *aim* of covering all those children who are either unvaccinated or are partially vaccinated against seven vaccine-preventable diseases which include diphtheria, whooping cough, tetanus, polio, tuberculosis, measles, and Hepatitis B by 2020. The intensification of immunisation activities will be carried out in 201 high focus districts in the *first phase* and 297 districts will be targeted for the *second phase* in 2015.
- (iii) With the goal of providing *holistic health solutions*, the erstwhile Department of AYUSH (Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy) has been elevated to a fullfledged *Ministry* in November 2014. The basic objective of the National AYUSH Mission (NAM) is to promote AYUSH medical systems through cost-effective AYUSH services and strengthening of educational systems.
- (iv) Steps are also underway for including *Yoga* in the regular medical system. On the appeal of the India's PM during his UN General Assembly in September 2014, the UN has declared 21 June *International Yoga Day* (the UN Resolution for the same emerged as the most ever supported resolution on the UN platform—getting support from

Coordinated Policy Actions: Together with capacity building efforts by multiple agencies including Panchayati Raj institutions (PRIs), field level implementers, organizations of high repute identified as key resource centres (KRCs), selfhelp groups, women's groups, convergence with other state departments like Health, Women & Child Development, and Panchayati Raj, provision has been made for incentivizing accredited social health activists (ASHAs) and anganwadi workers to promote sanitation. Guidelines are also in place to involve corporates in the sanitation sector through corporate social responsibility. Some recent initiatives in this direction are –

cutting across the continents, ethnicities and religious allegiances!).

There are multiple determinants of health. Given this situation, it is clear that a prevention agenda that addresses the social and economic environment requires a coordinated action which is (as the *Economic Survey 2014–15* suggests)—

- (i) Cross-sectoral, multi-level involving sectors such as food and nutrition, education, drinking water and sanitation, housing, employment,
- (ii) Industrial and occupational safety,
- (iii) Welfare including social protection,
- (iv) Family and community services, tribal affairs, and
- (v) Communications.

SOCIAL SECTOR EXPENDITURE

The RBI data on expenditure on social services by the **General Government** (centre and states) as a proportion of total expenditure has also been showing a mixed trend, compared to the Budget Estimates for 2014–15:

- It had declined to **22.3** per cent in 2014–15 (was 24.7 per cent for 2013–14).
- As a percentage of the GDP, expenditure on social services has declined from 6.9 per cent in 2009–10 to **6.7** per cent in 2014–15.
- Expenditure on education increased from 3.0 per cent to **3.1** per cent and on health declining from 1.4 per cent to **1.2** per cent.
- Consistent rise in absolute social-sector expenditure by the general government (centre+state) even during the *global crisis* of 2008–09 and *Euro area crisis* of 2011–12

Public & Private co-operation in healthcare: Government spending on healthcare in India is

only **1.2** per cent of GDP which is about **4** per cent of total government expenditure, less than 30 per cent of total health spending. The failure to reach minimum levels of public health expenditure remains the single most important constraint to attaining desired health outcomes.

While it is important to recognize the growth and potential of a rapidly expanding private sector, international experience shows that health outcomes and financial protection are closely related to absolute and relative levels of public health expenditure. India should try to expand the role of the private sector in the healthcare sector with an effort to attend the *following capabilities and needs*—

- (a) A Medical Regulatory Authority to regulate the public as well as private sector
- (b) Proper Universal Health Insurance penetration
- (c) Checking corruption in the public healthcare system
- (d) Rationalising drug subsidies
- (e) Expanding the base of public healthcare system

Attending the above-given areas will enable India to move towards the goal of '*Universal Healthcare*' in the coming times. The government should also think of putting in place a working and effective model of *Public Private Partnership* model in the health sector, too.

RESTRUCTURING OF THE CSSs

The need of restructuring the Centrally Sponsored Schemes (CSSs), in the reform period, was taken at an *ideological level* by the GoI in 1999–2000 (*Economic Survey 1999–2000*), for the first time. Several of them were restructured – with the declared goal of going for synchronised and co-ordinated attempts at improving the 'living standard' of the people. Before launching the 12th Plan, we see a major restructuring – the existing

137 CSSs being restructured into 66 (including the 17 Flagship Programmes).

By early 2015, the new government at Centre, again restructured and finetuned a number of ongoing programmes/schemes based on the *field experience* to make them *need based*. The new list of the programmes/schemes, released by the GoI is as given below (classified areawise):

1. Education Related

Education through broadband facilities: Under this mission more than 700 courses in various disciplines in engineering and science are available *online* under National Programme on Technology Enhanced Learning (NPTEL). E-content for 8 undergraduate subjects has also been generated by the Consortium of Education Communication (CEC) in collaboration with its media centers.

Pandit Madan Mohan Malviya National Mission on Teachers and Teaching: The Mission envisages to address comprehensively all issue related to teachers, teaching, teacher preparation, professional development of curriculum design, designing and development assessment. It is also envisaged that the mission would pursue long term goals of building a strong *professional cadre of teachers* by setting performance standards and creating top class institutional facilities for innovative teaching and professional development of teachers.

Higher Education for persons with special needs (HEPSN): The University Grant Commission (UGC) implemented scheme is, basically, meant for creating an environment at the *higher education* institutions to enrich higher education learning experiences for differently abled persons. Creating awareness about the capabilities of differently abled persons, constructions aimed at improving accessibility, purchase of equipments to enrich learning etc. are the broad categories of assistance under the scheme.

Enhancing Access to Higher Education in unreserved or underserved areas: Rashtriya Uchchatar Shiksha Abhiyan (RUSA) is enhancing access to higher education in unserved or underserved areas by setting up new institutions, and improving infrastructure and facilities in existing institutions. However, specific locations of these institutions are identified by the State Government based on their need assessment and requirements.

Unnat Bharat Abhiyan: UBA has been launched for connecting higher education and society to enable technology and its use for development of rural areas.

GIAN: Global Initiative for Academics Network (GIAN) has been launched to attract the best foreign academics to Indian Universities of Excellence.

Sarva Shiksha Abhiyan (SSA): Launched to implement TRE, the scheme has been restructured on the following lines—

- (i) The framework has been revised and reimbursement towards expenditure incurred for at least 25 percent admissions of children belonging to disadvantaged group and weaker section in private unaided schools would be supported from the academic year 2014–15.
- (ii) The Government in association with corporate sector has taken up for construction of toilets in all schools with a separate girls toilets before 15th August, 2015.
- (iii) *Padhe Bharat Badhe Bharat* has been planned to improve language development by creating an enduring interest in reading and writing with comprehension.

Rashtriya Madhyamik Shiksha Abhiyan (RMSA): The RMSA aims at enhancing access to

secondary education and improving its quality to ensure Gross Enrolment Ratio (GER) more than 90 per cent by 2017 and universal retention by 2020. Certain norms of the scheme have been revised—

- (i) To permit State/UT Governments to use State Schedule of Rates (SSOR) or CPWD Rate, (whichever is lower) for construction of civil works permissible under the RMSA.
- (ii) To increase the Management, Monitoring Evaluation and Research (MMER) from 2.2 percent to 4 percent of the total outlay under the programme, with 0.5 percent of the 4 percent earmarked for national level and the rest of the 3.5 percent as part of the State allocation.
- (iii) To authorize the RMSA Project Approval Board (PAB) of the Ministry of Human Resource Development to consider for approval Integrated Plan of the umbrella scheme of RMSA,
- (iv) To authorize the release of funds to the RMSA State Implementation Society directly for all components of the RMSA umbrella scheme

Teacher Education (TE): The Centrally Sponsored Scheme for TE has been revised for the 12th Plan with an approved outlay of Rs. 6308.45 crore to be shared between the Centre and the States in the ratio of 75:25 (90:10 for North Eastern Region) to strengthen SCERTs, establish DIETs, Institutes of Advanced Studies in Education (IASEs) and strengthen the existing Colleges of Teacher Education (CTEs) and up-grade existing Government secondary teacher education institutions into CTEs and Departments of Education in Universities as IASEs; and establish Block Institutes of Teacher Education (BITE) in identified 196 SC/ST/Minority Concentration Districts.

Saakshar Bharat (SB)/Adult Education: The focus of SB is female literacy. By the end of November 2014, about 3.13 million learners, of which around three-fourths are women, have successfully passed the assessment tests for basic literacy conducted by the National Institute of Open Schooling (NIOS).

Schemes to encourage education among SC and other schemes: These include—

- (i) Pre-Matric Scholarship Scheme for SC Students studying in Classes IX and X
- (ii) Pre-Matric scholarships to students, whose parents are engaged in 'unclean' occupations
- (iii) Rajiv Gandhi National Fellowship Scheme aims at providing financial assistance to SC students pursuing M.Phil and Ph.D. courses.
- (iv) National Overseas Scholarship Scheme: A financial support to students pursuing Master's level courses and PhD/Post-Doctoral courses abroad, maximum 60 awards are to be given from the year 2013–14 onwards.
- (v) Scheme of Top Class Education: Eligible students who secure admission in notified premier institutions like the IITs, IIMs, and NITs, are provided full financial support for meeting the requirements of tuition fees, living expenses, books, and computers.

Educational schemes for OBCs: The Pre-Matric scholarship scheme aims to motivate children of OBCs studying at Pre-Matric stage and Post-Matric scholarship intends to promote higher education by providing financial support leading to their earning Ph.D. Degrees.

Scheme for Economic Development: Under Assistance to Voluntary Organizations Working for Welfare of OBCs, grants-in-aid is provided

to voluntary organizations to involve the non-Government sector by providing *skill up-gradation* amongst OBCs in various trades – through various vocational trainings to OBCs.

2. Employment/Training Related

Deen Dayal Upadhyaya Grameen Koushalya Yojana (DDU-GKY): This is a *placement linked* skill development scheme for *rural poor youth*. This initiative is part of National Rural Livelihood Mission (NRLM).

The skilling program for rural youth has now been *refocused* and *reprioritised* to build the capacity of rural poor youth to address the needs of the *domestic* and *global skill* requirements.

Mahatma Gandhi NREGA: The revised provisions are –

- (i) Intensive and Participatory Planning Exercise (IPPE) to prepare the labour budget for financial year 2015–16 in selected 2500 backward Blocks has been initiated.
- (ii) Emphasis on Agriculture and Allied Activities to ensure that at least 60 percent of the works in a district in terms of cost shall be for creation of productive *assets linked* to agriculture and allied activities through development of land, water and trees.
- (iii) Provision for Payment of Technical Assistants/Barefoot Engineers from the Material Component of the Work
- (iv) Special Financial Assistance for Staffing of Social Audit Units.
- (v) Use of *Machines* for works where speed of execution is most critical (like the works in a flood prone area).

National Livelihoods Mission (NRLM): This was launched after restructuring Swarnajayanti Gram Swarozgar Yojana (SGSY). It aims at organizing all

rural poor households and continuously nurturing and supporting them till they come out of abject poverty, by organizing one woman member from each household into affinity-based.

National Urban Livelihood Mission (NULM): Swarna Jayanti Shahari Rozgar Yojana (SJSRY) which has been restructured into NULM, aims at organizing urban poor in self help groups, imparting skill training to urban poor for self and wage employment and helping them to set up self-employment venture by providing credit on subsidized rate of interest. In addition, shelters for urban homeless and infrastructure for street vendors can also be taken up under this Mission.

Support to Training and Employment Programme (STEP): The Scheme is intended to benefit *women* who are in the age group of 16 years and above by providing skills to them for their employability. The Scheme covers any sector for imparting skills related to employability and entrepreneurship, including but not limited to Agriculture, Horticulture, Food Processing, Handlooms etc. and skills for the work place such as spoken English, Gems & Jewellery, Travel & Tourism and Hospitality.

Special Central Assistance (SCA) to the SCs Sub Plan (SCSP): This is a major initiative for *uplifting the SCs* above the poverty line through self-employment or training. The amount of subsidy admissible is 50 per cent of the project cost.

Nai Manzil: Aims at skill development among *drop outs*.

USTTAD (Upgrading the Skills and Training in Traditional Arts/Crafts for Development): This aims to conserve *traditional arts/crafts* of minorities and for building capacity of traditional artisans and craftsmen belonging to minority communities.

MANAS: This for upgrading entrepreneurial skills of *minority youth*. and **Cyber Gram** to impart training for *Digital Literacy*.

3. **Finance, Insurance and Social Welfare Related**

Pradhan Mantri Jan Dhan Yojna (PMJDY) was launched in August, 2014 with a target of 10 crore bank accounts by January 24, 2015. The scheme has yielded deposits of Rs. 8,36,905.5 lakh with 1063.9 lakh new bank accounts as by March 3, 2015—

- (i) Payment solutions are an important part of financial inclusion for which a new card payment scheme known as *RuPay Card* has been in operation since May 2014.
- (ii) Banks have further been asked to provide universal coverage across all the six lakh villages of the country by providing at least one Basic Banking Account, per household, with indigenous RuPay Debit Card having inbuilt accident insurance of Rs. 1.00 lakh and life insurance cover of Rs. 30,000.
- (iii) The RuPay Card is on par with other debit cards.

These two schemes are complementary and will enable achievement of multiple objectives such as financial inclusion, insurance penetration and digitalisation.

Credit Risk Guarantee Fund (CRGF): This Fund has been created to guarantee the lending agencies for loans to new Economically Weaker Section (EWS)/Low Income Group (LIG) borrowers in *urban areas* seeking individual housing loans not exceeding a sum of Rs. 8 lakh (earlier Rs.5 Lakh) for a housing unit of size upto 430 sqft (40 sqm) carpet areas without any third party guarantee or collateral security.

Rajiv Rinn Yojana (RRY): RRY is a Central Sector Scheme applicable in all the *urban* areas of

the Country and provides for interest subsidy of 5 per cent on loans granted to EWS and LIG to construct their houses or extend the existing ones.

Aam Aadmi Bima Yojana (AABY): The AABY extends life and disability cover to persons between the age of 18 years to 59 years, living below and marginally above the poverty line in 47 identified vocational/occupational groups, including rural landless households. The Scheme is also available to all RSBY (Rashtriye Swasthya Bima Yojana) beneficiaries.

The AABY provides insurance cover on natural death, death due to accident, permanent and total permanent disability due to accident. It also provides an add-on-benefit of Scholarship of Rs 100 per month per child to a maximum of two children.

National Social Assistance Programme (NSAP): Schemes under NSAP are social security/welfare scheme for the persons living Below Poverty Line (BPL) and pension/assistance is provided to the BPL household in both *rural* as well as *urban* areas.

Venture Capital Fund for Scheduled Castes: Announced in 2014–15 Interim Budget 2014–15, this scheme has created a venture capital fund of Rs. 200 crore dedicated to promote the entrepreneurial initiatives by the SCs.

Scheme of Equity Support to the National Safai Karamcharis Finance and Development Corporation (NSKFDC) and National Scheduled Castes Finance and Development Corporation (NSFDC): These corporations implement various loan Schemes and skill development programmes for the development of the target group.

Tribal Sub Plan and Special Area Programmes: There are two special area programmes—

- (i) Special Central Assistance to States to supplement their TSP (SCA to TSP) for income generating schemes, creation of incidental infrastructure, community

based activities and development of forest villages, and

- (ii) Grants under Article 275(I) of the Constitution for development and upgradation of administration in tribal areas. The latter is also used for setting up of *Eklavya Model Residential Schools (EMRS)* in States for providing quality education in remote areas.

National Scheduled Tribes Finance and Development Corporation (NSTFDC):

The scheme provides loans and micro-credit at concessional rates of interest for income-generating activities.

4. Health Related

Swachh Bharat Mission (Gramin): This was launched on October 2, 2014, which aims at attaining an *Open Defecation Free India* by October 2, 2019, by providing access to toilet facilities to all rural households and initiating Solid and Liquid Waste Management activities in all Gram Panchayats to promote cleanliness –

- (i) Under SBM(G), the incentives for Individual Household latrines (IHHLs) have been enhanced from Rs.10,000 to Rs. 12,000 to provide for water availability.
- (ii) Part funding from MGNREGA for the payment of incentives for the construction of Individual House Hold Latrines (IHHLs) is now paid from the SBM (G).
- (iii) Initiatives to include:
 - (a) media campaigns,
 - (b) provisioning for incentivizing ASHAs and Anganwadi workers for promoting sanitation,
 - (c) guidelines to involve Corporates in Sanitation sector through *Corporate Social Responsibilities*,

- (d) strengthening online monitoring system for entering households level data gathered from the Baseline Survey.

National Health Mission (NHM): The NHM came into being in 2013 to enable universal access to equitable, affordable, and quality health care services. It *subsumes* the NRHM and National Urban Health Mission (NUHM) as sub-missions. The NUHM was initiated in 2013 to cover all cities/towns with a population of more than 50,000 and all district headquarters with a population above 30,000. Other towns would continue to be covered under the NRHM.

National Rural Drinking Water Programme (NRDWP): The provisions are—

- (i) 20,000 number of Solar Power Based Water Supply Schemes have been approved across all the States for their habitations located in far flung / hilly areas or where availability of electricity is a constraint.
- (ii) During the massive floods in Jammu & Kashmir, mobile water treatment plant and drinking water bottles / pouches were airlifted for the flood affected inhabitants.
- (iii) Guidelines with regard to Community Water Purification Plants
- (iv) For identifying ground water sources, the Ministry prepared Hydro Geo Morphological Maps and gave them to the States.
- (v) Move for Certification of ISO-9001 for the Ministry - The Ministry of Drinking Water and Sanitation is working towards obtaining ISO-9001 Certification

Pradhan Mantri Swasthya Suraksha Yojana (PMSSY): Under it, six All India Institute for Medical Sciences (AIIMS) have become functional,

besides upgradation of medical colleges. Under *fourth phase*, four AIIMS like institutes each at Andhra Pradesh, Vidarbha region (Maharashtra), West Bengal and Poorvanchal are proposed to be established.

Human Resources, Infrastructure Development/Upgradation in Tertiary Health Care: With a view to strengthening the *medical education* infrastructure in the country, the Government has initiated *two new* (CSSs) Centrally Sponsored Schemes—

- (i) 'Establishment of New Medical Colleges attached with District/Referral hospitals'
- (ii) 'Upgradation of existing State Government/Central Government medical colleges to increase MBBS seats in the country'.

Scheme of Assistance for the Prevention of Alcoholism and Substance (Drugs) Abuse: The Ministry of Social Justice and Empowerment coordinates and monitors all aspects of drug abuse prevention which include assessment of the extent of the problem, preventive action, treatment and rehabilitation of addicts and public awareness. Under this scheme, financial assistance up to 90 per cent of the approved expenditure is given to the voluntary organizations and other eligible agencies for setting up or running Integrated Rehabilitation Centre for Addicts (IRCAs).

5. Housing/Infrastructure Related

Indira Awaas Yojana (IAY): Priority is to be given to families of the manual scavengers, including those rehabilitated and rehabilitated bonded labourers—now it has included the *transgenders*, too. Priority is given to households with single girl child, households where a member is suffering from Leprosy/cancer and people living with HIV. Apart from NER, Uttarakhand, Himachal Pradesh and J&K, the hilly States, other State

Governments can also identify difficult areas, keeping the unit as Gram Panchayat.

Rajiv Awas Yojana (RAY): 10 per cent of the RAY allocation is kept for the *innovative projects* and the projects for *slum development/relocation* for the slums on Central Government land or land owned by its agencies, autonomous bodies, etc. To increase *affordable housing* stock, as part of the preventive strategy, the Affordable Housing in Partnership (AHP) Scheme is in place under RAY. External Commercial Borrowings (ECB) has been allowed for affordable housing projects from 2012. It has been extended for Slum Rehabilitation Projects from 2013–14.

Pradhan Mantri Gram Sadak Yojana (PMGSY): This is a *fully funded* centrally sponsored scheme with the objective of providing all-weather road connectivity and also permits upgradation of existing *rural roads*.

Jawaharlal Nehru National Urban Renewal Mission (JNNURM): This was launched to implement reform-driven, planned development of cities in a Mission mode. It has *four components*—two of it are implemented in 65 select cities

- (i) Sub-Mission for Urban Infrastructure and Governanc
- (ii) Sub-Mission for Basic Services to the Urban Poor
The other two components are implemented in other cities/towns –
- (iii) Urban Infrastructure Development Scheme for Small and Medium Towns
- iv) Integrated Housing and Slum Development Programme

6. Women And Children Related

Beti Bachao Beti Padhao (BBBP) Programme: The programme was launched on in January 2015 at Panipat, Haryana for promoting survival, protection and education of girl child.

It aims to address the issue of declining Child Sex Ratio (CSR) through a mass campaign targeted at changing social mind set and creating awareness about the criticality of the issue. The overall goal of the BBBP programme is to prevent *gender biased sex selective* elimination, ensure survival and protection of the girl child and to ensure education and participation of the girl child.

Nai Roshni: This leadership development training programme for women was *extended* to 24 States 2014-15. It includes – Government Mechanisms, Involvement in decision making process, Health & Hygiene, Sanitation, Violence against women and their rights, Banking Systems, etc., to generate awareness and develop confidence among women.

Reproductive and Child Health (RCH): Two RCH programmes aim to bring about a change in three critical health indicators, maternal mortality rate (MMR), infant mortality rate (IMR), and total fertility rate (TFR)—

- (i) Janani Suraksha Yojna (JSY)
- (ii) Janani Shishu Suraksha Karyakram (JSSK)

Mid-Day Meal (MDM): Under this, *hot cooked mid-day meals* are provided to all children attending elementary classes (I-VIII) in Government, Government aided, Local body, Special Training Centers as well as Madrasas/Maqtabs supported under SSA across the country.

At present, it provides an energy content of 450 calories and protein content of 12 grams at primary stage and an energy content of 700 calories and protein content of 20 grams at upper primary stage. Adequate quantity of micro-nutrients like Iron, Folic acid, and Vitamin A are also provided in convergence with the National Rural Health Mission (NHRM).

Integrated Child Development Services (ICDS) Scheme: It represents one of the world's largest and most unique programmes for early childhood (below 6 years) development. It aims to reduce the

incidence of mortality, morbidity, malnutrition and school dropout; to enhance the capability of the mother to look after the health and nutritional needs of the child through proper nutrition and health education.

Integrated Child Protection Scheme (ICPS): It provides preventive, statutory care and rehabilitation services to children who are in need of care and protection and children in conflict with law as defined under the Juvenile Justice (Care and Protection of Children) Act, 2000 and its Amendment Act, 2006 and any other vulnerable child.

Rajiv Gandhi Scheme for empowerment of adolescent girls (SABLA): The scheme is operational in 205 selected districts across the country since 2010. It aims at all-round development of adolescent girls of 11-18 years (with a focus on all out-of-school age groups). The scheme has two major components:

- (a) Nutrition and
- (b) Non-Nutrition Component. While the former aims at improving the health and nutrition status of the adolescent girls, the latter addresses their developmental needs.

Indira Gandhi Matritva Sahyog Yojana (IGMSY): The CSS is a Conditional Cash Transfer scheme covered under Direct Benefit Transfer (DBT) programme for *pregnant* and *lactating* women aged 19 years and above for first two live births in 53 districts.

The scheme has been *renamed* as **Matritva Sahyog Yojana (MSY), 2014**. As per the provision of the National Food Security Act (NFSA), 2013, the Ministry has reviewed the entitlement of maternity benefits of IGMSY beneficiaries in 53 districts from Rs. 4,000 to Rs. 6,000.

Rajiv Gandhi National Creche Scheme for Children of Working Mothers : This aims to provide *day care services to children* (in the age group of 0–6 years) of working and other

deserving women belonging to families whose monthly income is not more than Rs. 12,000. The Scheme provides supplementary nutrition, health care inputs like immunisation, polio drops, basic health monitoring, pre-school education (03–06), recreation, emergency medicine and contingencies.

Rajya Mahila Samman and Zila Mahila Samman:

These awards are to be given to one woman from each State/UT and one woman from each District respectively, for advocacy and awareness creation, motivation, community mobilisation, women's empowerment, skill development training and capacity building and enterprise promotion in conjunction with tangible activities.

7. Scheme of Integrated Programme for Older Persons

Under the Scheme, financial assistance is given to implementing agencies for the following major activities provided for the welfare of Senior Citizens:

- (a) Maintenance of Old Age homes, Respite Care Homes and Continuous Care Homes
- (b) Running of Multi Service Centres for Older Persons
- (c) Maintenance of Mobile Medicare Units
- (d) Running of Day Care Centres for Alzheimer's Disease/Dementia Patients
- (e) Physiotherapy clinics for older persons
- (f) Disability and hearing aids for older persons

8. Sansad Aadarsh Gram Yojana (Sagy)

This was launched and its guidelines released in October 2014, for bringing convergence in the implementation of existing Government schemes and programmes without allocating additional funds or starting new infrastructure or construction schemes.

9. UIDAI

The Unique Identification Development Authority of India (UIDAI) is providing—Aadhaar Payment Bridge (APB)—a hassle free mechanism for, amongst other uses, *transfer of direct benefits* under government schemes including Modified Direct Benefits Transfer for LPG (MDBTL).

Aadhaar based verification is being utilized for opening new bank accounts under PMJDY, Biometric Attendance System for Central Government departments, Jeewan Pramaan scheme for central government pensioners, passport application system of Ministry of External Affairs, subscriber management system of Employee Provident Fund Scheme etc.

10. Vanbandhu Kalyan Yojana (VKY)

This new CSS for the STs was introduced in 2014–15. This is a *strategic process* which envisages to ensure that all intended benefits of goods and services under various programmes and schemes of Central as well as State Governments actually *reach* the target groups by convergence of resources through appropriate institutional mechanism.

11. Hamari Dharohar

This unique CSS aims to preserve *rich heritage of minority communities* of India under the overall concept of Indian culture. The newly launched NITI Aayog has given a serious call for an Indian Model of Development.

FUTURE POLICY ACTIONS

The *Economic Survey 2014-15* has tried to attract the attention of the governments by advising some future policy actions, which may be seen as given below:

- (i) With women accounting for nearly 48 per cent of India's population (Census 2011), there is need to ensure

and safeguard their place in the socio-economic milieu. Since this requires a change in the *patriarchal mindset* of the larger population, government has to continue to be a *proactive facilitator* of this change through consistent policies.

- (ii) India aims to be in the top 50 countries of the *Doing Business* ranking. Together with it India must try to be in the top 50 countries in HDI and GII rankings.
- (iii) Low levels of *education* and *skill* deficit are responsible for low income levels of a large majority of the labour force, thereby, perpetuating inequality. Consequently, the government's thrust on skill development as well as 'Make in India' aim at improving *employability* and *generating employment avenues*.
- (iv) Since demographic predictions warn that the promise of the *demographic dividend* will not last long, in any case not beyond 2050, India needs to take advantage of this demographic window in the next

couple of decades.

- (v) The challenge for the country now is in planning and acting towards converting its demographic 'burden' into enhanced opportunities for growth by dovetailing the quality of manpower to the requirements of employers (off-farm, industry, and services sectors), both domestic and international. For this intention to translate into reality, a 'bottom-up' approach using Panchayati Raj institutions and Urban Local Bodies as agents of change is the need of the hour.

India needs to include the potential and energy of its vibrant civil society, cultural capacity, youth power and the masses at large to initiate a process of reformatory moves on several fronts – social, economic and political. A new vibrancy was seen during recent years in India, particularly among the common people – it is time to tap this potential.

Note: Analyses and comments articulated in this chapter are based on the notes and suggestions provided by two categories of sources:

- (i) *Some of the acclaimed academicians and policy makers* – Amartya Sen, *Development as Freedom*, Oxford University Press (OUP), N. Delhi, 2000; Amartya Sen & Jean Dreze, *Indian Development*, OUP, N. Delhi, 1996; Amartya Sen & Jean Dreze, *An Uncertain Glory: Indian and its Contradictions*, Allen Lane, Penguin Books, London, 2013; Jeffrey D. Sachs, A. Varshney and Nirupam Bajpai, *India in the Era of Economic Reforms*, OUP, N. Delhi, 1999, pp. 74–80; Kaushik Basu ed., *India's Emerging Economy*, OUP, N. Delhi, 2004. & I.J. Ahluwalia and I.M.D. Little (eds), *India's Economic Reforms and Development*, OUP, N. Delhi, 1998; Suresh D. Tendulkar & T.A. Bhavani, *Understanding Reforms: Post 1991 India*, OUP, N. Delhi, 2007; and Kaushik Basu and Annemie Maertens (eds.) *The New Oxford Companion to Economics in India, Vol. I & II*, OUP, N. Delhi, 2012.
- (ii) *Official documents and reports of the GoI and its organs* – Several volumes of the *Economic Survey upto 2014-15*, MoF, GoI, N. Delhi; India 2014 & 2015; *The Twelfth Five Year Plan (2012-17): A Draft Outline*, Planning Commission, GoI, N. Delhi, 2011; and the *India Development Report 2004-05 & 2012-13*, OUP, N. Delhi.