

**GOVERNMENT OF INDIA  
MINISTRY OF PLANNING**

**LOK SABHA  
UNSTARRED QUESTION No. 2561  
TO BE ANSWERED ON 03.01.2018**

**INCOME INEQUALITY**

2561. SHRI TEJ PRATAP SINGH YADAV:  
SHRIMATI ANJU BALA:

Will the Minister of PLANNING be pleased to state:

- (a) whether the income inequality in India has reached historically high levels, as the top 0.1 per cent of earners have captured more growth than all of those in the bottom 50 per cent combined according to The World Inequality Report, 2018;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether the ineffective mechanism to tackle the transfer of public wealth into private hands is one of the major reasons for increasing income inequality;
- (d) if so, the details thereof and the reaction of the Government thereto;
- (e) whether there is an urgent need for robust public and social policy intervention to address income inequality; and
- (f) if so, the details thereof and the steps taken by the Government in this regard?

**ANSWER**

**MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF PLANNING  
AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS**

**(RAO INDERJIT SINGH)**

(a) to (d) In India, the data on class distribution of income is not compiled centrally. However, household consumption expenditure data collected by National Sample Survey Office (NSSO) could be used as a proxy to capture the economic inequality in terms of consumption expenditure. The latest data of Large Sample Survey on Household Consumer Expenditure has been collected by NSSO in its 68<sup>th</sup> round conducted in 2011-12. The disparities in the class distribution of consumption expenditure are measured by the Lorenz ratio from the NSSO data on Consumer Expenditure. Based on consumption expenditure data, the Gini coefficient (measuring the inequality between different expenditure classes of the population) in rural areas is observed to be almost same in 2004-05 and 2011-12 at 0.27 and 0.28 respectively. In the urban areas, the Gini coefficient has increased marginally from 0.35 in 2004-05 to 0.37 in 2011-12.

(e) & (f) The primary policy objective of the Government is development of all segments of the population, i.e. Sabka Saath Sabka Vikas. The Government is implementing a number of targeted programmes in this regard, like Pradhan Mantri Awaas Yojana (PMAY), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM), Deendayal Antyodaya Yojana - National Urban Livelihoods Mission (DAY-NULM), National Social Assistance Programme (NSAP), Pradhan Mantri Jan-Dhan Yojana (PMJDY), Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Shyama Prasad Mukherji Rurban Mission (SPMRM), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana, Atal Pension Yojana, Pradhan Mantri Mudra Yojana, Stand Up India Scheme, etc. These interventions are expected to yield better results over time towards overall balanced development in the country.

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