GOVERNMENT OF INDIA MINISTRY OF FINANCE DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA UNSTARRED QUESTION NO. 3517 TO BE ANSWERED ON 16 MARCH, 2018

INCLUSIVE GROWTH

3517. SHRI R. PARTHIPAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is planning to promote inclusive growth by encouraging labour-intensive sectors that will create more jobs, effectively implementing the social protection schemes and investing in agriculture;
- (b) if so, the details thereof;
- (c) whether the domestic economy enables wealthy elite to accumulate vast wealth even millions of people struggle to survive on poverty pay:
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to improve the situation and wealth disparity?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PON RADHAKRISHNAN)

Achieving inclusive growth has been one of the main priorities of the Government. For (a) to (b) promoting inclusive growth, the Government is implementing various programmes/schemes for creating better employment opportunities, strengthening social infrastructure and providing basic amenities like water, electricity, roads, sanitation and housing for covering all sections of population. Various schemes such as Mahatma Gandhi National Rural Employment Guarantee Act Scheme (MGNREGA), Prime Minister's Employment Generation Programme (PMEGP), Pradhan Mantri Rojgar Protsahan Yojana, Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) and Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM) are being implemented by the Government in both rural and urban areas of the country which aim to create directly and indirectly additional employment opportunities to reap the benefits of the demographic dividend. The Union Budget 2018-19 has announced various measures to provide maximum livelihood opportunities in the rural areas by spending more on livelihood, agriculture and allied activities and construction of rural infrastructure. The strategies include promoting labour-intensive sectors by encouraging agro-based industries, and Medium, Small and Micro Enterprises (MSMEs). Focus has also been given to growth of labour intensive textile sector. For social protection, under Ayushman

Bharat, the National Health Protection Scheme, has been proposed in the Union budget 2018-19 which is expected to cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage upto 5 lakh rupees per family per year for secondary and tertiary care hospitalization. The Union budget has also proposed an increase in the volume of Institutional credit for Agriculture to the tune of Rs. 11 lakh crore during 2018-19.

- (c) to (d) The data on household consumption expenditure collected by National Sample Survey Office (NSSO) is among the prominent proxy measures used to capture economic inequality. As per the latest NSSO data available (2011-12) on Household Consumer Expenditure, the Gini coefficient (measuring the inequality between different expenditure classes of the population) in rural areas has remained almost the 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) Reducing inequalities is high on the agenda of the Government. Several initiatives have been taken up by the Government of India to eliminate poverty, inequality and to empower the marginalized sections of the society by expanding the social security net through Pradhan Mantri Suraksha Bima Yojana (Accident Insurance), Atal Pension Yojana (Unorganized Sector) and Pradhan Mantri Jeevan Jyoti Yojana (Life Insurance) and institutional support for entrepreneurship with the help of MUDRA Bank, to provide microfinance to entrepreneurs in rural hinterland of India and a National Hub for SC/ST entrepreneurs has been created to support the entrepreneurs belonging to the marginalized communities. Apart from providing the social security net and institutional credit support to the marginalized sections of the society, the Prime Mantri Jan Dhan Yojana is operational that strives to achieve financial inclusion by ensuring that the economically weaker sections have access to bank accounts. According to Economic Survey 2017-18, utmost priority to social infrastructure like education, health and social protection is being given by the Government to engineer an inclusive and sustainable growth in India.
