

**GOVERNMENT OF INDIA  
MINISTRY OF PLANNING**

**LOK SABHA  
UNSTARRED QUESTION No. 1596  
TO BE ANSWERED ON 19.12.2018**

**DATA ON INCOME INEQUALITY**

1596. SHRI JAGDAMBIKA PAL:

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government collects data on income inequality in the country;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the details of income earned by top 0.1, 1 and 10 percent earners and bottom 50 percent earners as a ratio of the total GDP;
- (d) the ill-effects of income inequality on Indian society and economy;
- (e) whether any steps have been taken by the Government to reduce income inequality in the country; and
- (f) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

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

**(RAO INDERJIT SINGH)**

(a) to (f) 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.

The primary policy objective of the Government is development of all segments of the population. The Government is implementing a number of targeted programmes in this regard, like Pradhan Mantri Awas 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. Government reviews programmes at different level of implementation so as to ensure benefit reaches to the targeted group and programme meets its intended outcomes.