

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1377**  
TO BE ANSWERED ON 10.2.2020

**STUDY ON INCOME EQUALITY**

1377. SHRIMATI NUSRAT JAHAN RUHI:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that according to a recent study conducted by Oxfam India's richest 1 per cent hold more than four times the wealth held by 953 million people who make up for the bottom 70 per cent of the country's population;
- (b) if so, the reaction of the Government in this matter;
- (c) whether the Government is contemplating any action to resolve the gap between rich and poor in the country; and
- (d) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI ANURAG SINGH THAKUR)

(a) to (b) Madam, the data on income/wealth is not maintained by the Government. However, different agencies have analyzed income/asset inequality in India using their own methodologies and data from various types of Surveys. Generally, household consumption expenditure data collected by NSO is used as a proxy to capture the economic disparity. Based on Mixed Reference Period of the Quinquennial Household Consumer Expenditure Surveys of the NSO conducted in 2004-05 (61<sup>st</sup> round) and 2011-12 (68<sup>th</sup> round), 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.

(c) to (d) The Government has initiated various measures to improve the quality of life of the people and to benefit the people at the lower end of the income distribution in the country by implementing livelihood support programmes such as Mahatma Gandhi National Rural Employment Guarantee Act Scheme (MGNREGA), Prime Minister's Employment Generation Programme (PMEGP), Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Deendayal Antyodaya Yojana- National Rural Livelihoods Mission (DAY-NRLM) and Deendayal Antyodaya Yojana- National Urban Livelihoods Mission (DAY-NULM). Schemes such as the Swachh Bharat Mission, Pradhan Mantri Ujjwala Yojana (PMUY), Pradhan Mantri Awas Yojana (PMAY), Targeted Public Distribution System (TPDS)/National Food Security Act (NFSA), Pradhan Mantri Jan Arogya Yojana (PM-JAY), etc have aimed to improve the quality of life of the rural poor households. Further through implementation of schemes such as Make in India, Skill India, Digital India, MUDRA, Stand-up India and Start-up India, the Government intends to create more job opportunities through both wage employment as well as entrepreneurship. The Pradhan Mantri Jan Dhan Yojana strives to achieve financial inclusion by ensuring access to bank accounts to economically weaker sections and thereby access formal credit.

To encourage formal employment, the Government is implementing the Pradhan Mantri Rojgar Protsahan Yojana wherein the Government pays the entire employer's contribution (12% or as admissible) towards EPF and EPS for all eligible new employees for the first three years of their employment. To extend the social security cover and pension to the unorganized sector, the Government is implementing the Pradhan Mantri Shram Yogi Maandhan for unorganized workers, Pradhan Mantri Kisan Maandhan Yojana for small and marginal farmers and the National Pension Scheme for Traders and Self Employed Persons for shopkeepers, retail traders and self-employed persons.

These interventions are expected to yield better results over time in terms of reduction in the gap between rich and poor and overall balanced development in the country.

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