



PUBLIC EXPENDITURE ON PRIMARY EDUCATION IN INDIA

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Abstract

This paper is an attempt to examine the status and significance of public expenditure on primary education in India. The 13th Finance Commission has recommended for highest grant in aid expenditure in Uttar Pradesh (Rs. 5040 crores) and Bihar (Rs. 4018crores) & recommended to increase total GDP expenditure on education by 4.13% during 2013-14, with central government and State government sharing at the ratio of 75:25 for additional expenditure under Sarva Shiksha Abhiyan (ASS) & Right to Education (RTE). Present paper throws light on status of public expenditure on primary education in India. It also highlights the recommendation of different committees and 13th Finance Commission for expenditure on primary education in India. The analysis found that there is need to enhance expenditure on primary education in connection with percentage of GDP in India.

Introduction

Now a day's primary education consumes 57.05percent of the total plan expenditure of the education sector leaving the 43 percent to other sectors. The programmes like Sarva Shiksha Abhiyan are giving greater emphasis on universalization of primary education. If we rely on the statistics of the government, then the gross enrollment ratio of boys in primary school is more than 100 percent & girls it is around 84 percent. As a whole GER is around 95 percent (Government of India 2001-02) Economic development of any country necessitates economic resources and human development. Thus human development for any economy is vital. A basic component of human development is education. It captures capability of acquiring knowledge, communication and participation in community life, (According human development report 1993). Social reformers and Indian national leaders had realized long before independence the value of education as development and modernization of our society. While struggling for national leaders had realized long before Independence the need from colonial rule, they tried to expand education facilities in the country. India recognized the important of human capital in economic growth long ago. Education and healthcare services create both private and social benefits. There exists both private and public institution in education and health service markets. Expenditure on education and health has long term impact on the quality of life in a country. Therefore, active government participation in this sector is very sensational.

Review of literature

Geetharani P (2006): The paper name "Challenges of Achieving and Financing and Universal Elementary Education in India: The case of Sarva Shikshana Abhiyan", critically examines the programmers on Education for All. The period of 1980-81 to 2004-05, was considered for the analysis the study revealed Quality is given indeed the last priority as ensuring the basic minimum levels of physical and human infrastructure and equal access to all the child-age population of 6-14 is not yet attained in majority of the states in India. The scheme not only widens social inequity but also perpetuate the designing quality by encouraging elementary schools and Para-teachers. This low cost option would results in serious ramification on the equity, quality, balance and sustainability of basic education system.

Ajith Kumar C.E. and Lathilaka M. (2012): This joint paper titled "Gods and Injudicious Spending – A mid-term Appraisal of Sarva Shikshan Abhiyan (SSA) in Kerala", seeks to study largely the allocation and expenditure patterns of SSA funds in Kerala. The period of 2002-03 to 2007-08, was considered for the study It's also attempted to ascertain that if the shortages in allocation and utilization of the funds did hamper the attachment of SSA mandates. The paper argue that as the reported physical achievement levels of the districts are high the lower civilization level at the initially years by itself did not seem to be serious question in the success of the project. The author suggest that, if at all it turns outs that cheer still remain incidence of non schooling or education of poor quality.

Satya Shekhar. G. V. (2007): "The paper titled "Models of Measuring Targets and Results in Primary Education", focus on trends in the targets of primary education in India. The study pointed the main barrier for achieving the targets like a high dropout rate at the primary stage and stagnation. So the main reason for stagnation is absenteeism, which ultimately resulting "dropouts". The targets and achievements lie in reducing the dropout rates at the primary stage and improving the literacy rate. Literacy and dropouts are two sides of same coin.

Kothari V. N (1999): The paper "State Versus Market in Financing Education in India", discusses the problem of accountability, responsibility and flexibility in education process during the period of 1996-97, in Gujarat elementary education stage (1 to 7 standards). This paper states that the Kothari Commission has recommended for 6 percent GDP expenditure on education is necessary. But now government has around 3.5 percent of GDP expenditure on education.



Data base Methodology

This study based on secondary data. The secondary data was collected from different source like 13th Finance Commission Report, Annual Year Beget, Union government responsibility report, Eleventh five year plan, Annual Status of Education Report Rural. Center for Budget and Governance Accountability (CBGA) simple statistical tools like average & percentage are used for data analysis

Objective of the study

1. To know the state wise Finance Commission recommendation for Grant –in -Aid to Elementary education.
2. To understand the Central Government budget expenditure on primary education in India
3. To know the Central Government budget on Sarva Shiksha Abiyan (SSA) In India.
4. To know the total GDP expenditure on primary education in India.

Table -1 Thirteenth Finance Commission Recommendation For Grant In –Aid- To Elementary Education From 2010 To2015. (Rs. in crores)

State	2010-11	2011-12	2012-13	2013-14	2014-15	Total (Rs. crore)
Andhrapradesh	170	179	188	198	207	942
Arunachal Pradesh	4	4	5	5	6	24
Assam	31	40	49	59	59	238
Bihar	585	699	818	946	970	4018
Chhattisgarh	136	154	173	194	200	857
Goa	2	2	2	2	3	11
Gujart	72	85	98	113	115	483
Haryana	40	43	46	49	51	229
Himachal Pradesh	20	21	23	24	25	113
Jammu Kashmir	80	85	90	95	99	449
Jharkand	223	266	311	359	369	1528
Karnataka	104	119	135	152	157	667
Kerala	25	27	28	29	31	140
Madhya pradesh	320	384	452	523	537	2216
Maharashtra	131	140	149	159	165	744
Manipure	3	3	3	3	3	15
Meghalaya	9	10	10	11	12	52
Mizoram	1	1	1	1	1	5
Nagaland	1	1	1	2	2	7
Orrissa	170	187	204	223	232	1016
Punjab	36	41	45	50	52	224
Rajasthan	287	320	356	394	409	1766
Sikkim	1	1	1	1	1	5
Tamil Nadu	111	126	141	158	164	700
Tripura	4	4	5	5	5	23
Uttar Pradesh	723	871	1027	1192	1227	5040
Uttrkhand	31	35	40	45	46	197
West Bengal	355	416	480	548	560	2359
Total	3675	4264	4881	5540	5708	24068

Source: Thirteenth finance commission 2010-2105.

The above table-1 gives information about 13th Finance Commission Recommendation on Grant –in- Aid to elementary education from 2010-11 to 2014-15 in India. The 13th Finance Commission Recommended for highest grant in aid expenditure from 2010-11 to 2014-15 for Uttar Pradesh (Rs.5040crores) and Bihar (Rs.4018crores) out of the total amount recommended.

For Uttar Pradesh it was Rs.723 crores, Rs.871 crores, Rs.1027 crores, Rs.1192 crores, and Rs.1227 crores during 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 respectively. And for Bihar it was Rs.585 crores, Rs.699 crores, Rs.818 crores, Rs.946 crores, and Rs.970 crores during 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 respectively. Whereas least grant in aid expenditure was recommended for Mizoram (Rs.5 crores),Sikkim (Rs.5 crores) and Nagaland (Rs.7 crores).



Consistently only Rs.1 crore was allotted every year i.e. from 2010-11 to 2014-15 to Sikkim and Mizoram and there was no increase in the grant in aid expenditure for these states. Similarly only Rs.1 crore was allotted every year i.e. from 2010-11 to 2012-13 to Nagaland and Rs.2 crore was allotted every year i.e. from 2013-14 to 2014-15 to Nagaland. The 13th finance commission recommendation for grant-in-aid to elementary education for Karnataka is increasing consistently from 2010-11 to 2014-15. It recommended for Rs.667 crores for the five years. Whereas it was Rs.104 crores, Rs.119 crores, Rs.135 crores, Rs.152 crores, and Rs.157 crores during 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 respectively. It is evident from the above table that there is increase in the grant in aid to elementary education from 2010-11 to 2014-15 for all states except Mizoram and Sikkim.

The 13th Finance Commission Recommendation for Grant-in-Aid to elementary education in India is increasing consistently from 2010-11 to 2014-15 i.e. it was Rs.3675 crores, Rs.4264 crores, Rs.4881 crores, Rs.5540 crores, and Rs.5708 crores during 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 respectively.

Table- 2 Central Government Budget On Sarva Shiksha Abhiyan In India From 2005-06 To 2014-15
(Rs. in crores)

Years	Budget Expenditure		Total
	Plan Exp	Non Plan	
2005-06	7156	0	7156
2006-07	4210	0	42210
2007-08	2767.26	0	2767.26
2008-09	7690		7690.09
2009-10	4239.25	0	4239.25
2010-11	4994.1	0	4994.1
2011-12	7096.17	0	7096.17
2012-13	8292.64	0	8292.64
2013-14	8079.2	0	8079.2
2014-15	118.25	0	0

Source: Government of India Expenditure Budget, from 2006 -06 to 2014-15 Volum-2.

This tables -2 gives information The Central Government Budget expenditure on Sarva Siksha Abhiyaan (SSA) in India from 2005-06 to 2014-15 is presented in the above table. In 2005-06 the Planed Budget Expenditure made on (SSA) in India was Rs 7156 Crores, which increased to Rs.42210 Crores, Rs.2767.26 Crores, and Rs.7690.09 Crores, Rs 4239.25 Crores, Rs.4994.1 Crores, Rs.7096.17 Crores, and Rs.8292.64 Crores, and Rs.8079.2 Crores during 2006-07, 2007-08, 2008-09 ,2009-10,2010-11,2011-12, 2012-13 and 2013-14 respectively.

When we go through the revised planned budget expenditure made on SSA from 2005-06 to 2013-14, it is clear that the expenditure has been fluctuating. Whereas, when compare expenditure made on SSA to 2005-06, it has increased in 2013-14 in India.

Table -3 Public expenditure on education in India from 2000-01 to 2013-14

Years	Total Expenditure on Education by Education Department and Other departments(Centrand State combined in (in Corers)	Total public Expenditure on Education as % of GDP
2000-01	82879.2	3.94
2001-02	80506.0	3.53
2002-03	85889.4	3.5
2003-04	89731.6	3.26
2004-05	97374.8	3.00
2005-06	114388.8	3.1
2006-07	138727.0	3.23
2007-08	164418.2	3.3



2008-09	189324.7	3.39
2009-10	241256.02	3.95
2010-11	293478.23	4.05
2011-12	333930.38	3.82
2012-13	408421.71(RE)	4.10
2013-14	465142.80(BE)	4.13

Source: Center for Budget and Governance Accountability (CBGA).

The table -3 gives information about public expenditure made on education by Education Department and Other departments (Centre and State Combined) and total public expenditure on education as percentage of GDP in India from 2000-01 to 2013-14. The total expenditure on education by education department and other department (center and State combined) in 2000-01 was Rs.82879.2 crores (3.94 % of GDP), which declined to Rs.80506 crores (3.53 % of GDP) in 2001-02. In monetary or nominal terms the public expenditure on education in the country is increasing continuously from 2002-03 to 2013-14 i.e. it was Rs. 85889.4 crores in 2002-03 which increased to Rs.408421.71 crores in 2012-13. But the total public expenditure on education as percentage of GDP in India from 2000-01 to 2013-14 is fluctuating in between 3 percent to 4.10 percent. It was 3.94 % , 3.53% and 3.5% of GDP in 2000-01,2001-02 and 2002-03 respectively. But since 2003-04, total public expenditure on education as percentage of GDP in India is less than 3.5% and more than 3% which is not good indicator for the educational development in India. During 2010-11, 2012-13 and 2013-14 total public expenditure on education as percentage of GDP in India has just crossed the border of 4% i.e. 4.05%, 4.10% and 4.13% of GDP in India

Additional expenditure towards Sarva Shiksha Abhiyana (SAA), committed SSA liabilities and right to education and central and state government share of public expenditure on primary education.

Table - 4 Additional Expenditure towards SSA and RTE from 2010-11 to 2014-15 (Rs.In Crores)

Years	Additional Expenditure towards RTE over the five years (2010-11 to 2014-15)	Committed SSA Liabilities	Total SSA+RTE	Central Share(at 75:25)	State Share (at 75:25)
1	2	3	4	5	6
2010-11	35088	12500	47588	35691	11897
2011-12	35045	12500	47545	35659	11886
2012-13	34998	12500	47498	35624	11875
2013-14	34953	12500	47453	35590	11863
2014-15	31400	12500	43900	32925	10975
Total	171840	62500	233984	175488	58496

Source: Response to Union Budget 2012-13.

Central Government and State Government are sharing at the ratio of 75:25 for additional expenditure on Sarva Siksha Abhiyaan(SSA) & Right to Education(RTE). The above table provides information on Additional Expenditure towards RTE over the five years from 2010-11 to 2014-15 in India. The additional; expenditure would be over and above the existing commitments of the government to allocate for SSA.

In 2010-11 the additional expenditure towards RTE over the five year was Rs.35088 crores, Committed SSA liabilities was Rs.12500 crores and the total share of the SSA & RTE as was Rs. 47588 crores, while the Central Government share was Rs. 35691crores (75%) and State Government share was Rs 11897(25%). In 2011-12 the additional expenditure towards RTE over the five year was Rs.35045 crores, Committed SSA liabilities was Rs.12500crores and the total share of the SSA & RTE was Rs. 47545 crores, while the Central Government share was Rs. 35659crores (75%) and State Government share was Rs 11886 crores (25%). In 2012-13 the additional expenditure towards RTE over the five year was Rs.34998 crores, Committed SSA liabilities was Rs.12500crores and the total share of the SSA & RTE was Rs. 47498 crores, while the Central Government share was Rs. 35624crores (75%) and State Government share was Rs 11875 crores (25%). In 2013-14 the additional expenditure towards RTE over the five year was Rs.34953 crores, Committed SSA liabilities was Rs.12500crores and the total share of the SSA & RTE as was Rs. 47453 crores, while the Central Government share was



Rs. 35590crores (75%) and State Government share was Rs 11863 crores (25%). In 2014-15 the additional expenditure towards RTE over the five year was Rs.31400 crores, Committed SSA liabilities was Rs.12500crores and the total share of the SSA & RTE as was Rs. 43900 crores, while the Central Government share as was Rs. 32925crores (75%) and State Government share was Rs 10975 crores (25%).

The total additional expenditure towards RTE over the five year from 2010-11 to 2014-15 was Rs.171840 crores, Committed SSA liabilities was Rs.62500crores and the total share of the SSA & RTE was Rs. 233984 crores, while the Central Government share as was Rs. 175488crores (75%) and State Government share was Rs.58496 crores (25%).

Table -5 Public Expenditure on Elementary Education as Percent of GDP from 2004-04 to 2009-10

Years	GDP%
2003-04	1.43
2004-05	1.55
2005-06	1.57
2006-07	1.59
2007-08	1.52
2008-09	1.64
2009-10	1.61

Source: Annual status of education report rural 2011.

The table provided details information about public expenditure on elementary education in the country from 2003-04 to 2009-10 In 2003-04 the public expenditure made on elementary education in the country as was Rs1.43 GDP similarly in 2004-05 Rs.1.55 % GDP expenditure on elementary education in the country In 2006-07,2007-08, 2008-09,and2009-10 total GDP expenditure on elementary education in the country as was Rs 1.597 % Gdp,1.52%GDP,1.64%Gdp, and Rs1.61% GDP respectively Whereas the total public expenditure on elementary education it is declined in the country from2003-04 to2009-10

Tapas Mujumdar committee projection for Addition Outlay to Univesalis Elementary A useful indicator to assess the gaps in provisioning for universalizing elementary education is comparing the total Government expenditure (center and State combined) to the posed allocation as laid out by a government Committee (also known as the Tapas Mujumdar Committee) in 1999 over ten period up to 2007-08 Estimates of government expenditure over four year reveals the scant attention being given to provided sufficient fund towards universalizing elementary education.(Response to Union Budget)

Table - 6 Tapas Majumdar Committee Projection for Additional Outlay to Universalize Elementary Education From 1999 To 2007-08 (In Rs. Crores)

Years	Recurring	Non-Recurring	Total
1998-99	110.6	0	1106
1999-00	1713	2284	3997
2000-01	4896	3672	8568
2001-02	7608	5072	12680
2002-03	1114350	5244	1638750
2003-04	13820	5528	19348
2004-05	19136	5888	25024
2005-06	24576	6144	30720
2006-07	32260	6452	38712
2007-08	4613430	26614	4879560
Total	16139740	4294540	20434270

Source: Annual Status of Education Report Rural 2012-13.



The table gives details information about of the Tapas Manjumdar committee projection for additional outlay to univesalise elementary education in the country from 1998 to 2007-08 In 1998-99 Tapas Majumdar committee projection for addition outlay to elementary education as was Rs 110.6 crores which is increased to in 1998-99 addition al outlay to univesalise elementary education as was recurring Rs 1713 and non recurring Rs.2284. In 2002-03, 2003-04,2004-05,2005-06, 2006-07 and 2007-08 Tapas Mujumdar committee projection for addition outlay to elementary education as was Rs.1114350 Rs.19348 Rs.25024 Rs30720 Rs38712 and Rs.4879560 respectively And again Tapas Manjumadar committee projection for additional outlay to universalize elementary education recurring as was Rs 16139740 non recurring Rs4294540 and total Rs 204342270 respectively.

Findings of the Study

1. 13th finance commission recommendation for highest grant in aid expenditure from 2010-11 to 2014-15 for Uttar Pradesh (Rs.5040crores) and Bihar (Rs4018 crores) out of total amount.
2. 13th finance commission recommendation for grant –in aid to elementary education for Karnataka in increasing consistently.
3. The Central Government budget expenditure on Sarva Shiksha Abhiyan in India during 2014-15 was Rs. 118.250 crores which is increasing.
4. The public expenditure on education as percentage of GDP in India has just crossed the border of 4% i.e., 4.05%, 4.10% and 4.13% of GDP during 2010-11, 2012-13 and 2013-14 respectively.
5. Central government and State government are sharing at the ratio of 75:25 for additional central expenditure on Sarva Shiksha Abhiyan (SSA) & Right to Education (RTE).
6. In 1998-99 Tapas Majumdar committee projected for addition outlay to elementary education as was Rs.110.6 crores which increased in 1998-99.

Suggestions

1. State wise primary education Aid -Grant should be increased as per recommendation of finance commission.
2. And total GDP expenditure should increase on primary education in India.
3. Quality education should be provided & evaluated.
4. Finally main basic facility should be provided like water, toilet building play ground facility etc.

Conclusion

This study found that one of the bottlenecks in properly utilization of Central Government budget is poorly operating GDP. When we go through the revised planned expenditure made on Sarva Shiksha Abhiyana (SSA) from 2005-06 to 2013-14 it is clear that expenditure has been fluctuating. Whereas, when we compare expenditure made on SSA from 2005-06 to 2013-14 it is increasing. But during 2010-11, 2012-13, and 2013-14 total public expenditure as percentage of GDP in India has just crossed the border of 4% i.e., 4.05%, 4.10% and 4.13% of in India. And during 2010-09 GDP 1.6% expenditure made on elementary education. But filly we see that public expenditure has positive impact on primary education in India. SSA programme has rested in better performance in terms of progress indicator such as decaling drop-out rate and improved transition rates. Yet there is a long way to walk for the progress in terms of out -come indicators Viz learning out comes.

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