

## HUMAN DEVELOPMENT IN INDIA

*The basic purpose of development is to enlarge 'people's choices'. In principle, these choices can be infinite and can change over time. People often value achievements that do not show up at all, or not immediately, in income or growth figures—greater access to knowledge, better nutrition and health services, more secure livelihoods, security against crime and physical violence, satisfying leisure hours, political and cultural freedoms and sense of participation in community activities. The objective of development is to create an enabling environment for people to enjoy long, healthy and creative lives.\**

### IN THIS CHAPTER...

- ☐ Introduction
- ☐ HDR 2016
- ☐ Gender Issues
- ☐ Poverty Estimates
- ☐ Promoting Inclusive Growth
- ☐ Demographics
- ☐ Socio-Economic and Caste Census
- ☐ Educational Scenario
- ☐ Employment Scenario
- ☐ Labour Reforms
- ☐ Child Labour
- ☐ Health Scenario
- ☐ Burden of Diseases
- ☐ Social Sector Expenditure
- ☐ Policy Suggestions

\* Mahbub ul Haq (1934-1998), Founding Editor of the *Human Development Report*, UNDP, 1990.

## INTRODUCTION

Economic growth still remains the immediate focus of the world economies. But, income enhancement can only bring the desired development in the country once it is supported by a conscious public policy aimed at it. Again, the presence of ‘good governance’ in the policy framework can hardly be missed. After the increased acceptance to welfare economics, the standard of life of the masses has emerged as the most popular tool to measure developmental achievements of the economies—the idea is much similar to the concept<sup>1</sup> of ‘human development’ articulated by the UNDP. In recent times, the world has started accepting the role of people’s *attitudinal* and *behavioural* dimensions, too in the gamut of development promotion.<sup>2</sup> Further, we see an increased and consensual acceptance among the nations on the issue of delivering ‘happiness’ and ‘life satisfaction’ to the citizens.<sup>3</sup> It means, over the last few decades the whole idea about the ‘ultimate’ aim of the economies has gone for a kind of metamorphosis. Human development, increased social welfare and well-being of the people have been the ultimate objective of development planning in India. Increased social welfare of the people requires a more equitable distribution of development benefits along with better living environment. Development process, therefore, needs to continuously strive for broad-based improvement in the standard of living and quality of life of the people through an inclusive development strategy that focuses on both income and non-income dimensions. Making growth and development percolate to the ‘*marginalised and disadvantaged sections*’ of society (i.e., the SCs,

STs, OBCs, Minorities and Women) remains the official policy of ‘inclusive growth’ for the country.<sup>4</sup>

The challenge is to formulate *inclusive* plans to bridge regional, social and economic disparities. The Approach Paper to the 12th Plan (2012–17) rightly stresses the need for more infrastructural investment with the aim of fostering a faster, sustainable and more inclusive growth. The GoI has been conscious about the development of the social sector which includes areas like, health, education, shelter, social welfare, social security, etc. Once the economy commenced the process of economic reforms we see an increased attention on the strengthening of social sector—enhancing the social infrastructure and situation.<sup>5</sup> But India is faced with a variety of interconnected and interdependent issues and challenges in the areas, such as, inclusion, expansion, implementation, accountability, governance, decentralisation, etc.<sup>6</sup>

By 2020, India is projected to be the youngest nation in the world in terms of size—while this ‘youth bulge’ provides India great opportunities, it also ‘poses challenges’—these young people need to be healthy, suitably educated and appropriately skilled to contribute optimally to the economy<sup>7</sup>. The proportion of economically active population (15–59 years) in India has increased from 57.7 per cent to 63.3 per cent during 1991 to 2013, as per Sample Registration System (SRS) data for 2013. If India has to reap the benefits of this *demographic dividend* in the years ahead, it is imperative that investments in social infrastructure are made in appropriate measure to achieve the desired educational and health outcomes.

1. Amartya Sen, *Development as Freedom*, Oxford University Press, N. Delhi, 2000, pp. 3–11.

2. *World Development Report 2015: Mind, Society, and Behaviour*, world Bank, Washington DC, 2015.

3. *World Happiness Report-2012 and 2013*, Sponsored by the UNO, N. York, 2013 and 2014.

4. *Eleventh Five Year Plan (2007–12)*, Planning Commission, GoI, N. Delhi.

5. Increased allocations of fund as well as enhanced performance is reported by the *Economic Surveys of 1991–92 to 2014–15*, MoF, GoI, N. Delhi.

6. Amartya Sen and Jean Dreze, *An Uncertain Glory: India and its Contradictions*, Allen Lane, Penguin Books, London, 2013, pp. vii–xiii.

7. *Economic Survey 2014–15*, MoF, GoI, N. Delhi, pp. 131–146.

India has to evolve a multi-pronged strategy with focus on bridging the gaps in access to social infrastructure through appropriate use of innovative technologies for enhancement of human potential for productive employment in various sectors and for improving the quality of life. Mobilising the civil society, media and other stakeholders of society in this regard will play a huge supportive role.

## HDR 2016

In the latest *Human Development Report 2016* (HDR 2016) of the UNDP, India has been ranked at **131st** (falling one rank from HDR 2015) out of 188 countries. The report measures progress (on its Human Development Index) of the countries in three basic dimensions of human development—standard of living, life expectancy and knowledge. *Major features* of it for the period 1990-2015 are given below (main focus being on India)<sup>8</sup>:

- World's top three countries are—Norway (0.949), Australia (0.939), Switzerland (0.939).
- India's HDI value of 0.624 (46 per cent growth) puts it in the 'medium human development' category, alongside countries such as Congo, Namibia and Pakistan. It is ranked third among the SAARC countries (but lowest among the BRICS countries), behind Sri Lanka (73) and the Maldives (105) both figuring in the 'high human development' category.
- India's life expectancy at birth increased by 10.4 years, mean years of schooling increased by 3.3 years and expected years of schooling increased by 4.1 years and its Gross National Income per capita increased by about 223.4 per cent.
- India's public health expenditure was even lower, at 1.4 per cent of the GDP.

However, it did make some gains between 1990 and 2015, improving life expectancy by 10.4 years. Child malnutrition also declined by 10 per cent.

- Inequality in human development—shave off 27 per cent from India's HDI score.
- Between 1-5 years of age, girls in **India** and Pakistan have a 30-50 per cent greater chance of dying than boys.
- The report noted that *untargeted subsidies* take away a lot of government resources that could otherwise have been spent on people, who need them the most—in 2014, the richest 20 per cent of India's population enjoyed subsidies of \$16 billion, thanks to six commodities and services—cooking gas, railways, power, aviation fuel, gold and kerosene.

Certain things, in case of India, have been *praised* by the report—reservation policy (though it has not remedied caste-based exclusions it has had substantial positive effects—share of dalits in civil services has improved from 2 per cent in 1965 to 11 per cent by 2001); Rural Employment Guarantee scheme; Right to Information Act; National Food Security scheme, and Right to Education Act; Mazdoor Kisan Shakti Sangathan (for popularising 'social audits' of government schemes).

The success of national development programmes like Skill India, Digital India, Make in India and Beti Bachao Beti Padhao—aimed at bridging gaps in human development—will be crucial in ensuring the success of UN's Sustainable Development Goals 2030 (unveiled in 2015), as per the report.

## GENDER ISSUES

India has gender discrimination embedded in its social fabric. It shows up in most spheres such as access to education, to social and economic opportunities. The reliance on a legal system to

8. Human Development Report 2016, UNDP, N. York, USA, March 2017.

offer gender equality and justice, has not been built in a time dimension in the dispensation of justice. Further, dependence on schemes and programmes with inadequate coverage, outlays, inefficiencies and leakages in the delivery mechanism, the social, economic and legal condition of women shows inadequate improvement in terms of several indicators. We find gender discrimination in India at multiple levels—

- (i) right from the womb with *sex determination* tests and abortion of the female foetuses,
- (ii) discrimination in terms of nutrition offered to the girl child,
- (iii) the length and type of schooling the girl child avails of vis-à-vis her male siblings,
- (iv) inadequate or lack of access to higher education,
- (v) discrimination in opportunities of employment and wages paid, and
- (vi) unequal share in inheritance.

Society and the Government has relied on the legal route to address each of these discriminations, without matching changes in the social fabric or role model set by leaders in society from all spheres. The legal route suffers from several shortcomings, especially in terms of time taken for dispensation of justice. For each of the above discrimination, there is a law so all acts of discrimination are illegal, however, compliance requires a lot more to be done.

### PRIVACY OF WOMEN

Women and girls in India carry disproportionate burden<sup>9</sup> of sanitation deficiencies in comparison

to their male counterparts—which compromises with their fundamental right to privacy. This can take several forms—threat to life and safety while going out for open defecation, reduction in food and water intake practices to minimize the need to exit the home to use toilets, polluted water leading to women and children dying from childbirth-related infections, among others. Personal hygiene of women is for better health outcomes there is no doubt in it. But it is also needed to enjoy the freedom of having control on their bodies—the right to privacy. In absence, it may create ‘gender-based sanitation insecurity’.

The Census 2011 reported a widespread lack of sanitation—more than half of the country’s population defecated in the open. Recent data shows that about 60 per cent of rural households (*Ministry of Drinking Water and Sanitation-2017; up from 45 per cent NSS 2015*) and 89 per cent of urban households (*NSSO 2016*) have access to toilets—an improved situation over the Census. A ‘rapid study’ (by *WASH Institute and Sambodhi* in 2016), specially done for the *Economic Survey 2016-17* presents some new insight—

- (i) Some worrisome trends were found for the majority of *households without toilets*—76 per cent of women had to travel a considerable distance to use these facilities while 33 per cent of the women reported facing privacy concerns and assault while going out in the open. Due to these risks, the number of women who reduced consumption of food and water are 33 per cent and 28 per cent, respectively. While in short-term it creates problems like illness, disruptions, and deficiencies; in the long-term it compromises with overall health and cognitive development of infants and specially girls. Other studies have highlighted the concerns such as exposure to natural elements, snakebites, etc. also.

9. *Economic Survey 2016-17* (MoF, GoI, N. Delhi, Vol. 1, pp. 27-30). The *Economic Survey*, for the last two years, featured very useful analyses on “women issues”. While in *2014-15* it covered ‘violence against women related coercive family planning methods’, in *2015-16* it featured the importance of government interventions to ensure long-term wellbeing of women and child under the topic ‘mother and child’. Continuing with the process, the *2016-17* issue has covered the issue of “women’s privacy”.

- (ii) In *households with toilets*, women reported far greater use—showing greater need. Studies have found preference for households to defecate in the open because of a variety of factors (caste and soak pit latrines, especially). As per the ‘rapid study’, patterns of toilet usage are better for women than men (this was also confirmed by the NSSO Survey of 2016).
  - (iii) Women and girls use toilet more than their male counterparts—across rural and urban households. This *pattern of toilet usage* suggests a very important thing—women and girl-children could play a *key leadership role* in Swachh Bharat’s objective of creating defecation free communities (by nudging men and boys of the household to change their own defecation behaviours).
  - (iv) Women did show *positive behavioural patterns* after getting access to sanitation services. Again, if these services are denied, they face considerable insecurity and nutritional risks.
- (i) Review the family planning program and re-orient it in such a way that it is aligned with reproductive health rights of women, and needs of India’s population.
  - (ii) Increase budgets for quality services, static family planning clinics and quality monitoring and supervision.
  - (iii) Address youth needs, induct more counsellors for sexual health, more youth-friendly services, and adequate supply of spacing methods.

## POVERTY ESTIMATES

Since India commenced the process of economic reforms, a major shift has taken place in the country’s policy-orientation towards poverty alleviation and employment generation—in place of *wage employment*, the focus has shifted to *self-employment* – so that ‘gainful employment’ could be created and poverty could be alleviated permanently<sup>10</sup>.

The Planning Commission used to estimate poverty using data from the large sample surveys on household consumer expenditure carried out by the National Sample Survey Office (NSSO) *every five years*. It **defines** poverty line on the basis of monthly per capita consumption expenditure (MPCE). The methodology for estimation of poverty followed by the Planning Commission has been based on the recommendations made by experts in the field from time to time—the recent estimates based on the recommendations of the Expert Group headed by *Prof. Suresh D. Tendulkar* which submitted its report in December 2009.

As per this methodology, poverty estimates (NSSO, 68th Round, 2011-12) for the period 2004-05 to 2011-12 are as given below:

For the reason cited above, ensuring safe and adequate sanitation—the objectives of Swachh Bharat—is becoming a serious policy issue—after all it is linked to the ‘fundamental right to privacy’.

## THE FALLOUTS OF POPULATION POLICY

The negative fallouts of pursuing a population policy that largely focuses on birth control also contributes to declining *child sex ratios*—if every family is to have fewer children, there is a greater anxiety that at least one of them should be **male**. In this instance, there may be a case for the government to undo as much as to do for example, by not setting targets expected levels of achievement (ELA), withdrawing incentives for female sterilisation and for mass camps. In addition, the *Economic Survey 2014–15* suggested the following actions to the government:

10. *Economic Survey*, 1999–2000, Ministry of MoF, GoI, N. Delhi.

- (i) Total poverty declined from 37.2 to 21.9 per cent.
- (ii) Rural poverty declined from 41.8 to 25.7 per cent.
- (iii) Urban poverty declined from 25.7 to 13.7 per cent

Looking at the controversy and confusion related to per day monetary estimates of poverty line criteria, late 2015, the GoI did set up a task force under the vice-chairman of the NITI Aayog (Arvind Panagariya) to suggest a new method for poverty estimates. The report the task force is awaited (*March 2017*).

## PROMOTING INCLUSIVE GROWTH

The focus of the Indian development planning has been on formulation of programmes and policies aimed at bringing the ‘marginalised and poor sections’ of society into the mainstream. The government has been implementing many such programmes for social and financial inclusion. The disbursement of benefits needs a systematic channel which will provide for financial empowerment and make monitoring easier and the local bodies more accountable. The *Pradhan Mantri Jan Dhan Yojna (PMJDY)* launched in August 2014 and the *RuPay Card* (a payment solution), are important schemes in this regard. These two schemes are complementary and will enable achievement of multiple objectives such as financial inclusion, insurance penetration, and digitalisation.

We find an increased Government emphasis on the socio-economic empowerment of the *minorities*. In this regard several new schemes have been launched in recent times—the ‘Nai roshni’ scheme for leadership development of minority women; *Padho Pardesh*, a scheme of interest subsidy on educational loans for overseas studies for the students belonging to the minority communities; for skill development and of the minorities, schemes like *Seekho Aur*

*Kamam* (Learn and Earn), *USTTAD* (Upgrading Skill and Training in Traditional Arts/Crafts for Development) and *Nai Manzil*.

Other than implementing programmes aimed at inclusive growth, enhancing economic growth and efficiency of market, as per the *Economic Survey 2017-18*, governments need to assure equitable accessibility of these benefits to all citizens in this regard.

## ACCESSIBLE INDIA CAMPAIGN

The number of persons with disabilities in India constituted 2.2 per cent of the population (Census 2011). It is imperative to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, and to promote respect for their inherent dignity (*UN Convention on rights of Persons with Disabilities*). In this direction, the Department of Empowerment of Persons with Disabilities (DEPwD) launched *Accessible India Campaign* (Sugamya Bharat Abhiyan) as a nation-wide Campaign for achieving “universal accessibility for Persons with Disabilities (PwDs)” with a focus on three verticals—Built Environment, Public Transportation and ICT (Information and Communication Technologies).

The Government has launched an *Inclusiveness and Accessibility Index* as part of this campaign. The index helps the industries and corporates to participate in the campaign by voluntarily evaluating their readiness for making the workplace accessible for PwDs. The index enables the organisations to introspect over their inclusive policies and organisational culture in aid of PwDs, employment of such workforce and adaptations to meet the needs of PwDs. Further, the *Rights of Persons with Disabilities Act, 2016* has been enacted by the Government aimed at securing and enhancing the rights and entitlements of PwDs (it includes the provision of increasing the reservation in government vacancies from 3 per cent to 4 per cent).

### STRENGTHENING THE PRIs

The 73rd and 74th Constitutional Amendments marked a watershed in the history of decentralised governance, planning, and development in India as these made panchayat bodies the third tier of government with reasonable power and authority in addition to creating space for women and marginalised groups in the federal set-up. Decentralised democracy was also extended to Fifth Schedule areas through the provisions of another Panchayat (Extension to the Scheduled Areas) Act 1996 known as the Extension Act which not only made the gram sabha a strong body, but also put '*jal, jungle, and jamin*' (water, forest, and land) under its control.

These central acts, however, instead of clearly specifying the powers and functions of panchayats and municipalities, have left it to the discretion of state governments. Articles 243 G and 243 W of these acts decree that the legislature of a state may, by law, endow the panchayats/municipalities with such powers and authority as may be necessary to enable them to function as institutions of self-government. Such law may also contain provisions for devolution of powers and responsibilities upon panchayats/municipalities, subject to such conditions as may be specified therein, with respect to the preparation of plans and implementation of such schemes for economic development and social justice as may be entrusted to them. These may include inter alia *schemes* and *plans* in relation to socio-economic development and providing basic services as listed in the Eleventh and Twelfth Schedules of the Constitution.

Article 243 ZD of the 74th Amendment Act providing for constitution of district planning committees (DPC) by the state government in every district is a milestone in decentralised planning with people's participation. These committees are expected to consolidate the plans prepared by the panchayats and municipalities in the district and prepare a draft development plan

for the district as a whole. DPCs have been set up in most of the states. Much of implementation of these panchayat acts, i.e., power-sharing with panchayat bodies, is left to the states. Over the years, the panchayat bodies have not been strengthened in terms of *functions, finances* and *functionaries (triple Fs)* with regard to preparation of plans and the listed subjects. The *Economic Survey 2014–15* suggests the following steps towards strengthening the PRIs:

- (i) The panchayat bodies have the potential to become true vehicles for carrying out the government's slogan of "less government—more governance" if states show consensus.
- (ii) In order to convert outlays of the local-centric programmes into outcomes, these institutions need greater *awareness, responsibility, and accountability*, which will also enable better connect of these programmes with the common man.
- (iii) *Greater devolution* of powers to the panchayats and municipalities is need of the hour, in respect of the 'triple Fs' in a phased manner.
- (iv) Majority of panchayat/municipality-centric programmes do have earmarked funds for awareness generation and capacity building. These funds across ministries need to be *pooled together* under the Panchayati Raj Ministry and Ministry of Urban development to make infrastructure and capacity building of panchayats and municipalities a continuous and regular process.

These **steps** will create the following possibilities in the local bodies:

- (a) Enable them to understand not only their role and rights but also their responsibilities and will make them accountable, bringing

about qualitative improvement in governance at decentralised level.

- (b) Transform them into *vibrant institutions* and enable them to perform their envisaged role in participatory planning, implementation, execution, monitoring, and supervision and also carry out social audit of all panchayat/municipality-centric programmes.

Government has given high priority to 'inclusion' factor—through the ideas of "inclusive growth" (as outlined by the 11th Plan, 2007-12) and the "third generation of economic reforms" (launched 2002, on the margins of the 10th Plan, 2002-07)—it is officially decided to use the PRIs as the *main tool*. In this way, it is essential for the governments (centre and states, both) to use the untapped potential of the PRIs as the vehicle of decentralising the fruits of growth and development to the 'grass-root' level. For this the PRIs need strengthening—newly created 'think tank', the NITI can play as an instrumental role in it (through its platform, the 'Governing Council')—in reaching a broad consensus among the governments regarding it.

## DEMOGRAPHICS

The population of India has gone for some major changes in the recent decades. These changes have not only restructured the contours of Indian demographics but have brought new openings and challenges regarding it:

1. As per provisional results of *Census 2011*, the following facts regarding the Indian population dynamics are of high importance. The 2001-11 is the *first* decade in independent India wherein, the population momentum coupled with declining fertility has dampened the pace of net additions to population. Thus, the net addition in this decade is less than that of the previous decade by 0.86 million. At present, a little more than *one out of every six* persons in the world is an Indian.
2. As per *Sample Registration System-2013* (SRS) data—
  - (a) There has been a gradual decline in the share of population in the age group 0-14 from 41.2 to 38.1 per cent during 1971 to 1981 and from 36.3 to 28.4 per cent during 1991 to 2013.
  - (b) On the other hand, the proportion of economically active population (15-59 years) or, India's 'demographic dividend', has increased from 53.4 to 56.3 per cent during 1971 to 1981 and from 57.7 to 63.3 per cent during 1991 to 2013.
  - (c) On account of better education, health facilities, and increase in life expectancy, the percentage of *elderly* (60+) has gone up from 5.3 to 5.7 per cent and 6.0 to 8.3 per cent respectively in the same two periods.
  - (d) The growth rate of the *labour force* will continue to be higher than that of the population until 2021.
3. According to an *Indian Labour Report* (Time Lease, 2007)—
  - (a) 300 million youth will enter the labour force by 2025, and 25 per cent of the world's workers in the next three years will be Indians.
  - (b) Population projections indicate that in 2020 the average age of India's population will be the lowest in the world—around 29 years compared to 37 years in China and the United States of America, 45 years in West Europe, and 48 years in Japan.
  - (c) Consequently, while the global economy is expected to witness a



shortage of young population of around 56 million by 2020, India will be the only country with a youth surplus of 47 million (*Report on Education, Skill Development and Labour Force (2013–14) Volume III, Labour Bureau, 2014*).

As per the *Economic Survey 2014–15*, the main issue to address then is not just providing employment but increasing the employability of the labour force in India. Employability is contingent upon knowledge and skills developed through quality education and training. Thus, any solution to the problem lies in a well-designed education and training regime that sets out to meet these objectives. The problem of low employability levels owing to poor quality of education is accentuated by the fact that fewer students opt for higher education in country. To garner the ‘demographic dividend’, the Survey suggested the following **policy initiatives** in this regard:

- (i) A declining 0–14 population will impact both elementary (5–14 age group) and higher education (15–29 age group). Elementary education can be further subdivided into primary (5–9 age group) and middle/upper primary (10–14 age group). The first stage of impact will be felt in declining enrolment in primary schools. As stated earlier, total enrolment in primary schools has fallen in 2013–14 while upper primary enrolment has grown. The dependency ratio for India is expected to fall from 54 per cent in 2010 to 49 per cent in 2020. In this scenario, given interstate disparities, states that are already facing this situation need to adopt specific policy measures in the field of education, wherein, instead of expanding the number of primary schools, focus should be on—

- (a) Improving access to education considering the high dropout rates among senior students;
  - (b) Removing gender disparity especially in the higher age group and in rural areas;
  - (c) Improving quality of education, including pupil-teacher ratios and provision of amenities in schools, especially in view of the declining learning levels.
- (ii) The *lag in demographic transition* between different states that necessitates state-specific policies to optimally garner the benefits of the demographic dividend. Owing to substantial fertility decline in the south during the last two decades, the south is ahead in the demographic transition compared to the north, thereby the window is already wide open in the south compared to the north. For instance, the projected average age of 29 years in 2020 has already been surpassed in some states like Kerala (33 years), Goa (32.3), Tamil Nadu (31.3), Himachal Pradesh (30.4), Punjab (29.9), Andhra Pradesh (29.3), and West Bengal (29.1). This lag in demographic transition among states in India could turn out to be a *great blessing* from the point of view of coping with the problem of declining population. India is better placed in this respect than most other countries. Thus, two set of policy initiatives emerge for the states—
  - (a) The states which are already well into the demographic window should actively pursue policies for employment generation to the already bulging labour force.

- (b) The states just entering the window period have some time to plan and must pursue policies simultaneously in several areas like education, health (including reproductive health), gender issues, and employment generation from now on so that they can fully utilise the opportunity.

## SOCIO-ECONOMIC AND CASTE CENSUS

The identification of the real beneficiaries is of paramount importance, for the success of any targeted approach. In line with this approach the *Dr. N. C. Saxena Committee* was constituted to advise on the 'methodology for a BPL census in rural areas'. Since June 2011, for the first time, a Socio-Economic and Caste Census (SECC) is being conducted through a comprehensive 'door-to-door' enumeration in both rural and urban India, authentic information is being made available on the socio-economic condition and educational status of various castes and sections through the SECC.

The exercise was completed by *late 2016* and presently, the errors are in the process of rectification—the reason the report of the census has not been put in the public domain yet. Once the census is fully ready, its findings are expected to be used in as guidelines in several areas such as—identifying the level of poverty, target population for the disbursal of subsidies, selection for eligibility for educational scholarships, old age pension, re-orienting the existing reservation policy, better implementation (by correct identification the beneficiaries) of the MGNAREGS, National Food Security scheme, etc.

## EDUCATIONAL SCENARIO

In the process of realising the demographic dividend, education and skill have to play the

most vital role in the country. This is why the education sector remains a priority area for the governments. The present concerns regarding education is briefly highlighted as given below<sup>11</sup>:

**Enrolment trends:** Major findings of the *ASER 2014* have been highlighted below—

- There has been a decline in enrolment in the government schools in the rural areas which fell down from 72.9 per cent of 2007 to 63.1 per cent in 2014. This decline looks made up by an increase in the private schools during the same period which increased from 20.2 to 30.7 per cent. Concerns about the decline in enrolment in government schools need to be identified and addressed. Decline in enrolment in government schools and some shift to private schools might be largely related to the poor quality of education offered in government schools, since it is free or offered for a nominal fee.
- There is a sharp decline in the number of children in standard V who can read a textbook of standard II in both government and private schools.
- The decline in educational outcomes in private schools warrants equal attention since there is an increase in the share of private providers of schooling and education across India.

As per the *Economic Survey 2016-17*, an important concern that is often raised in the context of school education is 'low learning outcomes'. This has been pointed out in several studies (including ASER, 2014). While there have been improvements in access and retention, the

11. Based on the *Annual Status of Education Report (ASER) 2014; Educational Statistics at a Glance 2014*, Ministry of HRD—as quoted by the **Economic Survey 2015-16** and **Economic Survey 2016-17**, Vol. 1, pp. 162-163.

learning outcomes for a majority of children is still a cause of serious concern. Some of the underlying causes contributing to low quality of education in the primary sector are—

- (i) Teacher absenteeism, and
- (ii) Shortage of professionally qualified teachers.

Though the share of teacher component in total Sarva Shiksha Abhiyan (SSA) budget has been increasing over the years from 35 per cent in 2011-12 to 59 per cent in 2014-15, teacher absenteeism and the shortage of professionally qualified teachers remain an issue to be addressed. Biometric attendance of teachers—monitored by communities and parents together with putting the data in public domain—may prove useful in this regard. This should be backed by adequate teaching aids, recorded lectures, etc. to fill in for absentee teachers. Learning outcomes should be part of the whole exercise. Attention should be given on the aspect of “quality teacher training”.

**Professional qualification and training:** As per the latest report by the *U-DISE* (Unified-District Information System for Education) on *School Education in India 2014–15*, only 79 per cent of teachers are professionally qualified in the country. For the higher secondary level, the percentage of qualified teachers is around 69 per cent. There is need to increase the percentage of qualified teachers and also the training of both qualified and under-qualified teachers.

**Gender parity:** As per the Ministry of HRD’s Educational Statistics, the Gender Parity Index (GPI) at various levels of school education has improved by 2014-15, except in the higher education in the case of total and Scheduled Caste (SC) students. In the case of Scheduled Tribe (ST) students, parity between girls and boys has not been achieved across all levels of school and higher education. There is need to bridge the gender disparity in higher education among total

and SC students and, at all levels of education for ST students.

## EMPLOYMENT SCENARIO

Employment issues have always been among the priorities of the GoI. As it is considered the best tool to alleviate poverty, the area gets even more importance. The latest employment scenario<sup>12</sup> and related concerns are as given below:

- The overall employment increased by 1.35 lakh—contributed by the IT/BPOs, textiles including apparels and metals sectors. However, the sectors such as gems and jewellery, handloom and power loom, leather, automobiles and transport saw decline in employment.
- Labour Force Participation Rate (LFPR) was estimated at 50.3 per cent—for females 23.7 per cent and males 75.0 per cent. The North Eastern and Southern States, in general, display high female LFPR as compared to low levels in Northern States.
- Unemployment rate for females (8.7 per cent) was higher than that of males (4.0 per cent) across rural and urban areas—with wide inter-state variations as seen in case of the LFPR.
- Employment growth has been sluggish. Further, States that show low unemployment rates also generally rank high in the share of manufacturing. While States compete to seek investment offering incentives, linking incentives to the number of jobs created, sustained

12. The latest and the *5th Annual Employment and Unemployment Survey (EUS)-2015-16*, Labour Bureau, Ministry of Labour and Employment—as quoted by the **Economic Survey 2016-17**, MoF, GoI, N. Delhi, pp. 161-162.

efforts need to be considered as a tool to increase employment.

- There is a clear shift in employment to secondary and tertiary sectors from the primary sector. The growth in employment by category reflects increase in both *casual labour* and *contract workers*. This has adverse implications on the level of wages, stability of employment, social security of employees owing to the 'temporary' nature of employment. It also indicates preference by employers away from regular/formal employment to circumvent labour laws.
- The multiplicity of labour laws and the difficulty in their compliance have been an impediment to the industrial development and employment generation.

### WOMEN'S UNPAID WORK

The conventional employment and unemployment surveys have not been able to capture the various types of *unpaid work* that women engage in both within and outside households in rural and urban areas in India. Globally, men's share in paid work is around 1.8 times that of women, while women have a share three times that of men in unpaid work. Therefore, paid work which is visible and accounted for by the System of National Accounts (SNA) is dominated by men, while unpaid work which is not accounted for is dominated by women and remains unrecognised and unaccounted for.

Valuing unpaid work is important since women's work gets subsumed under several types of activities. A TUS (Time Use Survey) was conducted in India in six select states on a pilot basis from July 1998 to June 1999. The results of the survey revealed the hidden contribution of women to the economy—

- (i) Out of 168 hours in a week, males on an average spent about 42 hours in SNA-captured activities as compared to only

about 19 hours by females. However, in the extended SNA activities, women spent 34.6 hours which included unpaid work at home and outside, as opposed to only about 3.6 hours by men.

- (ii) The declining female participation rates in conventional surveys are largely explained by the high share of women in unpaid work. Based on the findings of the pilot TUS, the NCATUS (National Classification of Activities for Time Use Studies), which also provides a classification of unpaid activities that is crucial for capturing the various activities of women in the economy, has been developed.

### SKILL GAP

For improving the employability of the population 'skill development' is the best tool. This can be imparted through vocational education and training. However, there is a perception that vocational education and skill development are meant for people who have failed to join mainstream education. This perception is strengthened by the significantly lower wages paid to employees with vocational training vis-à-vis those with formal education.

As per the NSDC (National Skill Development Corporation), there is a severe quality gap and lack of availability of trainers in the vocational education and training sector. By 2017, this skill gap within the vocational training sector including both teachers and non-teachers will reach a figure of 211,000. The workforce requirement is projected to increase to 320,000 by 2022.

There is a need of government investment in bridging the skill gap in the vocational education and training sector to improve the employability of people. Across industries and their sub-sectors, there are substantial skill gaps that need to be filled up through appropriate skill development plans

that leverage the private sector along with public initiatives. Some recent steps in this regard are as given below:

- With the setting up of the NSDC, progress is being made towards creating increased awareness about the skill gap and a thrust towards skill development in both the government and private sector employers as well as the Indian masses. The establishment of the *National Skill Qualification Framework (NSQF)* will also facilitate increased adoption of skill development programmes, with availability of pathways for progression between higher education and skill development.
- A multipronged policy approach to enable skill development including but not limited to initiatives such as setting up of Sector Skill Councils (SSCs), definition of Occupation Standards, drawing up of the NSQF and funding initiatives such as the Standard Training and Assessment Reward (STAR) scheme are likely to create a widespread positive impact on the skill ecosystem in India.
- The SSCs as autonomous industry-led bodies through the NSDC create National Occupational Standards (NOSs) and Qualification Packs (QP) for each job role in the sector, develop competency frameworks, conduct training of trainers, conduct skill gap studies and assess through independent agencies and certify trainees on the curriculum aligned to NOSs developed by them.
- Under the *PMKVY* (Pradhan Mantri Kaushal Vikas Yojana), which targets offering 24 lakh Indian youth meaningful, industry-relevant, skill-based training and a government certification on successful completion of training along with

assessment to help them secure a job for a better future. The actual success of this initiative can be gauged by the number of trained personnel being employed, which also needs to be measured and periodically reported.

- The *DDU-GKY* (Deen Dayal Upadhyaya Grameen Kaushalya Yojana), a placement-linked skill development scheme for rural youth (who are poor), as a skilling component of the NRLM (National rural Livelihood Mission) has also been launched.
- *National Action Plan (NAP)* for skill and training has been launched with a view to increasing the scope of employability among differently-abled persons. Under it a network of skill training providers led by training partners from government and non-government sectors has to be established. It will also include vocational rehabilitation centres. The plan has a target of skilling 5 lakh differently-abled persons in next three years (up to 2017-18). Plans are also on the anvil to extend the NAP with an online skill-training platform with a target of 5 lakh every year.
- *National Policy on Skill Development and Entrepreneurship 2015* aims to ensure skilling on a large scale at a speed with high Standards and promote a culture of innovation based entrepreneurship to ensure sustainable livelihoods. Accordingly, a Policy Implementation Unit (PIU) will *identify* all the stakeholders involved and flag the actionable points to the responsible agency.

Given that India has one of the youngest populations in the world, there is immense potential for overseas employment opportunities for skilled persons from India. The process of mapping such opportunities through the NSDC is also in progress during 2016-17.

## LABOUR REFORMS

We see a significant improvement in industrial harmony in India is evident from the fact that mandays lost on account of *strikes* and *lockout* have been steadily declining, from 17.6 million in 2009 to 1.79 million (Provisional) to December 2014. The multiplicity of labour laws and difficulty in complying with them has always been cited as an impediment to industrial development in India. This is why labour reforms has been made and active part of the ongoing economic reform process in the country. In a major initiative for *ensuring compliance* and promoting *ease of doing business*, the government has initiated a number of labour reform measures. Thus, amendments have been proposed to labour laws to align them with the demands of a changing labour market. Individually, states like Rajasthan have also introduced major reforms in three labour legislations—the Industrial Disputes Act, Factories Act, and Contract Labour Act. In the past few years, several new initiatives<sup>13</sup> have been taken by the GoI in this directions which may be **summed-up briefly** as given below:

1. The *Apprentice Act 1961* was amended in December 2014 to make it more responsive to industry and youth. The ‘Apprentice Protsahan Yojana’ was also launched to support MSMEs in the manufacturing sector in engaging apprentices. Government is also working affirmatively to bring a *single uniform law* for the MSME sector to ensure operational efficiency and improve productivity while ensuring job creation on a large scale.
2. A unified labour portal scheme called *Shram Suvidha Portal* has been launched for timely redressal of grievances and for creating a conducive environment for

industrial development. Its main features are—

- (i) Unique Labour Identification Number (LIN) allotted to around 0.7 million units facilitating online registration;
  - (ii) Filing of selfcertified, simplified single online return instead of 16 separate returns by industry;
  - (iii) Transparent labour inspection scheme via computerised system as per risk-based criteria and uploading of inspection reports within 72 hours by labour inspectors.
3. *Under Employees’ State Insurance Corporation (ESIC) Project Panchdeep*: Digitisation of internal and external processes to ensure efficiency in operations, especially services to employers and insured persons. The portal enables employers to file monthly contributions, generate temporary identity cards and create monthly contribution challans online, issue of pehchan card for insured persons for fast and convenient delivery of services. Through the IP Portal, insured persons can check contributions paid/ payable by employers, family details, entitlement to various benefits, and status of claims. Integration of its services will promote ease of business and curb transaction costs.
  4. *Under Employees Provident Fund (EPF)*: Digitisation of complete database of 42.3 million EPF subscribers and allotment of universal account number (UAN) to each member, which facilitates portability of member accounts. UAN is being seeded with bank account, Aadhar Card and other KYC details to promote financial inclusion. Direct access to EPF accounts

13. **Ministry of Labour and Employment**, GoI, N. Delhi, March 2017 and **Economic Survey 2016-17**, MoF, GoI, N. Delhi, Vol. 1, pp. 162.

will enable members to access and consolidate previous accounts.

Online pensioners can view their account and disbursement details online. The statutory wage ceiling under the Employees Provident Fund and Miscellaneous Provisions (EPF&MP) Act was enhanced to Rs. 15,000 per month and a minimum pension of Rs. 1,000 has been introduced for pensioners under the Employees' Pension Scheme-1995 from September 2014.

5. *For Unorganised Workers:* The Rashtriya Swasthya Bima Yojana (RSBY) is a scheme under the Unorganised Workers' Social Security Act 2008. It is a smart card-based cashless health insurance scheme, including maternity benefit, which provides a cover of Rs 30,000 per family per annum on a family floater basis to below poverty line (BPL) families in the unorganised sector. It is proposed to extend the RSBY to all **unorganised** workers in a phased manner.
6. *National Council for Vocational Training-Management Information System (NCVT-MIS)* portal has been developed for streamlining the functioning of Industrial Training Institutes (ITIs), Apprenticeship Scheme, and assessment/certification of all NCVT training courses.
7. *National Career Services Portal:* The Government is mandated to maintain a free employment service for its citizens. This is now being transformed with the launch of the National Career Service (NCS) Portal in July 2015. The NCS is envisaged as a digital portal that will provide a nationwide *online platform* for job seekers and employers for job matching in a dynamic, efficient and responsive manner.

8. *Payment of Bonus (Amendment) Act 2015:* The Act passed in December 2015, has redefined the eligibility for bonus payment of the Payment of Bonus Act 1965 from Rs. 10,000 to Rs. 21,000 per month. This will not only enhance the bonus payment to the employees but make more eligible to the same.

Industrial development and employment generation have been hindered in India by multiplicity of labour laws and their compliance. Working in the direction to remedy this situation, the Government has proposed (by late **March 2017**) to group 39 central labour laws into 'four or five' Labour Codes in the coming days. There are several other new measures under consideration towards simplifying the labour regulation regime in the country.

## CHILD LABOUR

India faces the problem of child labour. There is need of a multi-pronged strategy which can rehabilitate children withdrawn from work through specific schemes and universal elementary education. It needs supplemented with economic rehabilitation of their families also.

In 2015, the GoI launched the *National Child Labour Project (NCLP) Scheme* under which children rescued/withdrawn from work in the age group of 9-14 years are enrolled in NCLP special training centres, where they are provided bridge education, vocational training, midday meal, stipend, health care, etc., before being mainstreamed into formal education system. Children in the age group of 5-8 years are directly linked to the formal education system through close coordination with the Sarva Shiksha Abhiyaan (SSA).

Government has also proposed an amendment in the Child Labour (Prohibition and Regulation) Act, 1986 which aims at complete prohibition on employment of children below 14 years along with

linking the age of prohibition with the age under the Right of Children to Free and Compulsory Education Act 2009. The amendment also includes the provisions for stricter punishment for employers.

## HEALTH SCENARIO

The draft approach paper to the 12th Plan proposed the idea of universal healthcare in 2012, for the first time. The funding situation did not seem conducive enough this is why the government did not think to launch it—falling growth rate in wake of the western recession and many domestic factors. However, providing accessible, affordable and equitable quality health care, especially to the marginalised and vulnerable sections of the population is one of the key objectives of the Government. There are innumerable challenges to the delivery of efficient health services in India, given the paucity of resources and the plethora of requirements in the health sector. Population health is also significantly influenced by social and environmental determinants such as age at marriage, nutrition, pollution, access to potable water and hygienic sanitation facilities.

The Indian health sector has a *mix* of both public and private providers of health services. The private sector and the quality of care provided is variable, ranging from informal providers (quacks) to individually run nursing homes to large polyclinics and multiplex hospitals. The regulation for cost and quality of care is largely absent in most of the states. In the case of public sector, the health services are delivered through a network of health facilities including ASHA (a volunteer health worker) at the community level, Health Sub-Center (HSC), Primary Health Centres (PHCs), Community Health Centres (CHCs), District Hospitals, Government Medical College Hospitals and the state and central government assisted Employees' State Insurance (ESI) hospitals and dispensaries. Outreach and community

level services are provided through coordination between ASHA, Anganwadi Workers (AWWs) and the Auxiliary Nurse Midwife (ANM) at the HSC.

## BURDEN OF DISEASES

The report<sup>14</sup> *India: Health of the Nation's States-2017* provides the first comprehensive set of findings for the distribution of diseases and risk factors across all States from 1990 to 2016. The concept of Disability Adjusted Life Years (DALYs)<sup>15</sup> provides a framework for analysing the disease burden and risk factors. DALYs is the sum of years of potential life lost due to premature mortality and the years of productive life lost due to disability. One DALY represents the loss of the equivalent of one year of full health. Major findings of the report are as given below:

- There has been significant improvement in the health status of the individual as life expectancy at birth (LEB) has increased by approximately 10 years during the period 1990 to 2015. The significance of DALYs as a critical health policy indicator

14. The *India: Health of the Nation's States-2017* report is a collective effort of Indian Council of Medical Research (ICMR), PHFI and IHME, University of Washington (as per the *Economic Survey 2017-18*, Vol. 2, pp. 176-183).

15. DALYs express the premature death and disability attributable to a particular cause, and are made up of two components: years of life lost (YLLs) and years of life lived with disability (YLDs). YLLs measure all the time people lose when they die prematurely, before attaining their ideal life expectancy. Ideal life expectancy is based on the highest life expectancy observed in the world for that person's age group. YLDs measure years of life lived with any short- or long-term condition that prevents a person from living in full health. They are calculated by multiplying an amount of time (expressed in years) by a disability weight (a number that quantifies the severity of a disability). Adding together YLLs and YLDs yields DALYs, a measure that portrays in one metric the total health loss a person experiences during their life.



is reflected by the inverse relationship between life expectancy and DALYs rates.

- The per person disease burden measured as DALYs rate dropped by 36 per cent from 1990 to 2016 in India, after adjusting for the changes in the population age structure during this period.
- Of the total disease burden in India measured as DALYs, 61 per cent was due to communicable, maternal, neonatal, and nutritional diseases (CMNNDs) in 1990, which dropped to 33 per cent in 2016.
- There was a corresponding increase in the contribution of non-communicable diseases (NCDs) from 30 per cent of the total disease burden in 1990 to 55 per cent in 2016, and of injuries from 9 per cent to 12 per cent.
- The risk factors are drivers of diseases and injuries causing premature death and disability. The disease burden in India can be reduced substantially, if the risk factors related to health loss are addressed effectively. The use of DALYs to track disease burden has also been recommended by India's National Health Policy of 2017.
- In 2016, *malnutrition* still remained the most important risk factor (14.6 percent) that results in disease burden in the country though the disease burden due to it has dropped in India substantially since 1990.
- Neonatal disorders and nutritional deficiencies as well as diarrhoea, lower respiratory infections, and other common infections are manifestation of maternal and child malnutrition.
- The contribution of *air pollution* to disease burden remained high in India between 1990 (11.1 per cent) and 2016 (9.8 per cent), with the levels of exposure remaining among the highest in the world. It causes burden through a mix of noncommunicable and infectious diseases, mainly cardiovascular diseases, chronic respiratory diseases, and lower respiratory infections. The burden of household air pollution related to use of solid fuels for cooking is being addressed with government interventions through schemes like *Pradhan Mantri Ujjwala Yojana*.
- The *behavioural and metabolic risk factors* associated with the rising burden of Non Communicable Diseases (NCDs) have become quite prominent in India. In 2016, the dietary risks, which include diets low in fruit, vegetables, and whole grains, but high in salt and fat, were India's third leading risk factor, followed closely by high blood pressure and high blood sugar (high fasting plasma glucose).
- Unsafe water, sanitation, and handwashing (WASH) was the *second leading* risk factor in 1990, but its ranking has dropped to seventh position in 2016. Around 5 per cent of health loss is still attributable to this factor which is being addressed successfully by the government through the Swachh Bharat Mission (SBM).

*Situation of States is also similar—*

- States with higher life expectancy are reflecting lower DALYs rates means lower incidence of diseases and vice-versa. Though, there have been dramatic fall in CMNNDs, however, States with

high DALYs rates are indicating relatively greater increase in NCDs.

- Among the leading NCDs, the largest disease burden or DALYs rate increase was observed for diabetes, at 80 per cent, and ischemic heart disease, at 34 per cent during the period 1990 to 2016. Majority of the States have the largest dominance of non-communicable diseases and injuries over infectious and associated diseases except Delhi, Andhra Pradesh, Uttar Pradesh and Assam where this is relatively less.
- Despite improvements in overall life expectancy in India over the years, inequalities still persist among states with a range of 64.5 years in Uttar Pradesh to 75.2 years in Kerala in 2015.
- The National Health Policy, 2017 has recommended increasing State sector health spending to more than 8 per cent of the State government budget by 2020. There is a need to understand the efficiency of the public spending with respect to DALYs behaviour across the major States and to assess whether high spending by States on health results in better health outcomes.

The efficiency in the use of resources along with measures for preventive and curative health care is necessary to translate enhanced expenditure into improved health outcomes. In this context, the increase in use of antibiotics in developing countries like India where health care spending is low, is a cause for concern.

### Swachh Bharat Mission

The scheme (launched on October 2, 2014) aims at universal sanitation coverage and elimination of open defecation by October 2, 2019. It also aims to promote better hygiene and cleanliness by initiating Solid Waste and Liquid Waste

Management (SLWM) projects in rural and urban areas. The results of the mission are appreciable<sup>16</sup>:

- The number of persons defecating in open in rural areas declined to 25 crore in January, 2018 (from 55 crore in October, 2014)—at a much faster pace compared to the trend observed before 2014.
- Eight States and two Union Territories i.e., Sikkim, Himachal Pradesh, Kerala, Haryana, Uttarakhand, Chhattisgarh, Arunachal Pradesh, Gujarat, Daman and Diu and Chandigarh have been declared as ODF (open defecation free)—a total of 296 districts and 307,349 villages.
- Usage of toilets<sup>17</sup> by the individuals who have access to toilets reported more than 90 per cent of individuals using toilets in 2016 and 2017.

For promoting sustainable development (SDG-3) ensuring healthy lives and promoting the well-being for all at all ages is essential. India's commitment to achieve the targets under SDG-3 with some of them also aligned with the *National Health Policy 2017*, will help in strengthening health delivery systems and in achieving universal health coverage.

### Expenditure on Health

Expenditure by the Government healthcare providers accounted for about 23 per cent of the Current Health Expenditure (CHE) as per National Health Accounts 2014-15 that reflects the prominence of private hospitals and clinics among health care providers. The expenditure

16. As per baseline survey conducted by Ministry of Drinking Water and Sanitation, as quoted by the *Economic Survey 2017-18*, Vol 2, p. 183, Ministry of Finance, GoI, N. Delhi.

17. According to the surveys conducted by *National Sample Survey Office* (NSSO, 2016) and *Quality Council of India* (QCI, 2017), as quoted by the *Economic Survey 2017-18*, Vol 2, p. 183, Ministry of Finance, GoI, N. Delhi.

on pharmacies accounted for 29 percent of CHE by both health care providers (government and private).

In a developing country like India, incurring higher levels of *Out of Pocket Expenditure (OoPE)* on health adversely impacts the poorer sections and widens inequalities. Although, OoPE has declined approximately seven percentage points during the period 2004-05 to 2014-15, its share is still at **62** per cent as per NHA 2014-15.

Diagnostics are an important part of the health care system that provide information needed by service providers to make informed decisions about healthcare provision related to treatment and management. Limited affordability and access to quality medical services are among the major challenges contributing to delayed or inappropriate responses to disease control and patient management. The findings of Household Health Expenditure survey in India indicate that about **10** per cent of OoPE on health was spent by households on diagnostics (including medicines and diagnostic test as part of package) during 2013-14.

Meanwhile, the Government announced (*Union Budget 2018-19*) to launch a flagship *National Health Protection Scheme (NHPS)*. The world's largest government funded health care programme aims to cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage upto Rs. 5 lakh per family per year for secondary and tertiary care hospitalisation.

## SOCIAL SECTOR EXPENDITURE

India's expenditure on social sectors has not reflected a major increasing trend during the past few years (2008-2016), an increase in expenditure *per-se* may not always guarantee appropriate outcomes and achievements. The efficiency of expenditure incurred so far can be assessed by the performance of social sectors through various

social indicators. An overall assessment of social sector expenditures in terms of achievements shows that wide gaps still exist in educational and health outcomes and there is need for substantial improvement and the need to remove inequalities in the country.

The latest data<sup>18</sup> regarding General Government (i.e., Centre plus States) expenditures of India on the "social sector" for the year 2017-18 (BE, i.e., Budget Estimates) are as given below:

- (i) Total expenditure—26.4 per cent of the GDP (26.7 per cent in previous year).
- (ii) Expenditure on social services— 6.6 per cent of GDP (6.5 per cent in the previous year).
- (iii) Expenditure on education—2.7 per cent of GDP (2.6 per cent in the previous year).
- (iv) Expenditure on health—1.4 per cent of GDP (1.5 per cent in the previous year).

## POLICY SUGGESTIONS

Social infrastructure has positive externalities. It has a significant role in the economic development and welfare of a country. It is empirically proven and widely recognised that education and health impact the growth of an economy. Investing in *human capital* by way of education, skill development, training and provision of health care facilities enhances the productivity of the workforce and welfare of the population. In this regard, contemporary documents *suggest* the following actions<sup>19</sup> for the governments in the country:

18. Latest data from the *Reserve Bank of India* quoted by the *Economic Survey 2017-18*, MoF, GoI, N. Delhi, Vol. 2, p. 168.
19. The suggestions are based on the documents—*World Happiness Report-2015* (SDSN, UNO); *World Development Report- 2015 and 2016* (World Bank); *Economic Survey 2015-16, 2016-17 and 2017-18* (GoI); *India Development Report-2017*; and the *NITI Aayog* (GoI).

- (i) Action is needed in the direction of improving the quality of education provided in schools to arrest and reverse the decline in enrolment in government schools. Besides, it is essential to improve the educational outcomes in both public and private schools. An important contributor to improvement in the quality of education would be an increase in the per centage of *qualified teachers*.
  - (ii) India needs to overcome the development challenges through innovative models of *delivery of services*. It has a critical role to play in India's march towards double-digit growth.
  - (iii) Without improvement in social infrastructure development of a country is incomplete. To capitalise and leverage the advantages that India will have on the demographic front with a large segment in the productive age group, social infrastructure requires fresh impetus with focus on efficiency to improve the quality of human capital. To foster education and skill development of its diverse population, including the marginalised sections, women and the differently-abled, and to provide quality health and other social services, the Government has identified the potential of *technology platforms* which can significantly improve efficiency in the system.
  - (iv) Overhauling of the subsidy regime is needed with faster pace. It will not only rationalise the subsidies but bring in variety of *other benefits* in the service delivery system—inclusion of the needy population; exclusion of the fake accounts; prevention of corruption and leakages; traceability; authentication of delivery; transparency and accountability.
- The idea of technology-enabled Direct Benefits Transfers (DBT), namely the JAM (Jan Dhan-Aadhaar-Mobile) number trinity solution, introduced by the GoI in this regard is believed to be a game-changing move.
- (v) India needs to include the *behavioural dimensions* of the target population in its framework of policy-making to realise desired results in the area of promoting the cause of the social infrastructure. India has already included this aspect in its sanitation campaign (especially, in checking open defecation)—the same is needed in the other areas of importance, too.
  - (vi) There is a need of *integrating* the social sector initiatives of the Centre, states and the local bodies. The new 'think tank' NITI Aayog can play a suitable platform in this regard.
  - (vii) Strengthening of the *local bodies* (the PRIs) will not only boost the social sector but it will have an effect of externality in the form of an aware, awakened and participative citizenry. Through them, India can garner the support of civil society and the NGO.
  - (viii) There is need to orient the *private sector* (corporate world) towards this cause. Their inclusion in this area will not only bring in fund to this fund-scarce sector but enable the country to use their expertise in the promotion of the social infrastructure.
- The ***Economic Survey 2017-18*** concludes its chapter on the subject with a quote from the *World Economic Forum 2017*—"strengthening the policy and institutional ecosystem supporting inclusive growth deserves to be a top policy priority for

countries, whether they are experiencing slow growth, elevated inequality, or both. This is an imperative for countries seeking to thrive in the Fourth Industrial Revolution.”

The policies and institutional systems for inclusive growth are progressively being built by

the Government in the form of *digitalization* to *transform governance* and achieve *social inclusion* through financial inclusion initiatives, gender mainstreaming and measures to reduce all forms of social inequalities inherent in the society.