

# Plan Panel Report Says State, Though Among The Most Industrialized, L Little attention to social sectors Maharashtra gets flak for poor spend

Madhavi Rajadhyaksha | TNN

**T**he Planning Commission has slammed Maharashtra for its poor spending on the social sector in the recently released India Human Development Report 2011. However, it has praised the state for its impressive literacy rate.

Santosh Mehrotra, director general of the Institute of Applied Manpower Research which prepared the plan panel report, told TOI that the poor expenditure resulted in poor outcomes as was evident by Maharashtra's lagging indicators across sectors.

"The actual outcome indicators of Maharashtra don't look very good in comparison to the national average," he said, referring to the state's high incidence of poverty, poor child sex ratio, rampant malnutrition, lack of jobs and high rate of farm suicides, despite its high per capita income.

"Effectively, if you take Mumbai and Pune out of the state, Maharashtra is on par with poorer states," observed Mehrotra, saying the poor spending reflected the priorities of the state.

The out-of-pocket spending on healthcare in the state, for instance was five times the government spending.

People spent roughly Rs 1,008 mainly on medicines and

diagnostic tests for a corresponding Rs 204 that the government spent. Calling this "an unhealthy ratio", noted paediatrician and public health researcher Abhay Bang said out-of-pocket expenses were a leading cause of impoverishment. "Even the lower middle class go into debt as they don't have the ability to bear healthcare expenses today," he said.

The Planning Commission's observations come at a time when the state is already facing flak over poor welfare measures.

Union minister for rural development Jairam Ramesh recently rapped the state government for its abysmal performance in providing jobs under the Centre's flagship rural employment guarantee scheme. This, even as farmer suicides in the eastern belt of Vidarbha continue unabated.

A Ramaiah, professor and chairperson, centre for the study of social exclusion and inclusive policy, TISS, said it was unfortunate that no political party took up the agenda of budget allocations and spending on the social sector.

"There are grave social implications of such poor state spending. Not only will starvation go up among the masses, it could result in a backlash such as crimes rising, particularly more economic offences," he pointed out.



## Incidence Of Poverty Alleviation

State	1983	1993-4	2004-5
Maharashtra	43.4	36.9	30.7
All-India average	44.5	36.0	27.5
Bihar	62.2	55.0	41.4
Chhattisgarh	-	-	40.9
Jharkhand	-	-	40.3
Madhya Pradesh	49.8	42.5	38.3
Orissa	65.3	48.6	46.4
Uttar Pradesh	47.1	40.9	32.8
Uttarakhand	-	-	39.6

■ Only other states with poverty above national average according to 2004-05 data; All figures as % of population  
(Source: India Human Development Report 2011)

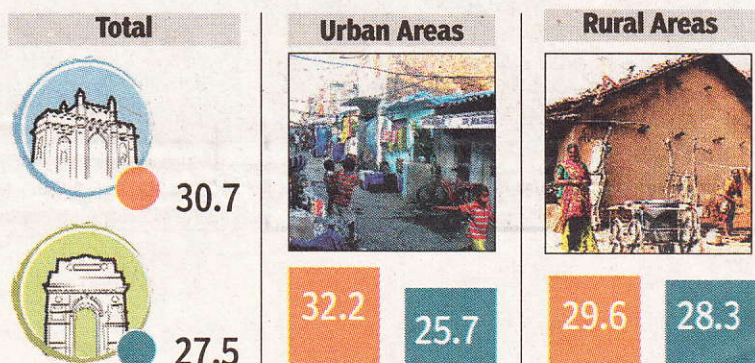
## Spending on health and education as % of state domestic product

State	Health	Education
Maharashtra	0.5	1.3
<b>Poorer States</b>		
Bihar	1.1	4.7
Madhya Pradesh	0.8	2.4
Rajasthan	0.9	3.0
Uttar Pradesh	0.9	3.2
<b>Richer States</b>		
Kerala	0.8	2.6
Punjab	0.6	1.8
Tamil Nadu	0.7	10.2
Delhi	0.9	1.4

(Source: CAG 2009 and SDP figures from CSO 2010-India Human Development Report 2011)

## Cities Vs Villages (% of population)

■ Maharashtra ■ All-India



(Source: Planning Commission 2008)

## Percentage of expenditure on medical services and public health as compared to total expenditure

Year	Maha	MP	Rajasthan	Bihar	UP
2008-09	3.90	3.15	3.91	3.91	4.86
2009-10	2.63	3.00	3.45	4.45	4.39
Avg from 2005-10	2.91	3.15	3.64	3.64	4.60

(A TOI report in December 2010 cited the above figures from a study by a Mumbai University professor indicating Maharashtra fared poorly compared to the BIMARU states—Bihar, Madhya Pradesh, Rajasthan & Uttar Pradesh)