
An Overview of Trends in Education Sector Expenditure of Uttarakhand

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ABSTRACT

Uttarakhand was born on Nov 09, 2000. It was carved out of Uttar Pradesh as the 27th state of the Indian union. By birth of the state the important challenge for the state is to provide education most in the un-reached areas as there almost nine district which have geographical backwardness and huge challenges, as not having enough good condition and limiting resources in hilly areas of the states. The paper has been based on the actual data collected for the period from 2001-02 to 2016-17. The World Development Report 2003 also states that one of the initiatives to promote sustainable development in the dynamic world is to empower underprivileged section of the population by increasing their access to education and health. The paper focused on trend analysis of the expenditure in education sector in the states since 2001 to 2016-17.

KEYWORDS: Education, SDG, Higher and Technical Education, Social Sector.

INTRODUCTION

Uttarakhand was born on Nov 09, 2000. It was carved out of Uttar Pradesh as the 27th state of the Indian union. By birth of the state the important challenge for the state is to provide education most in the un-reached areas as there almost nine district which have geographical backwardness and huge challenges as not having enough good condition and limiting resources in hilly areas of the states. The paper has been based on the actual data collected for the period from 2001-02 to 2016-17.

The importance of Education in determining the well being of an individual and society as a whole needs no emphasis. Education expands the social opportunities available to people. The National Human Development Report 2001 notes that:

"The level of spread of education has not only been a precondition for sustained economic growth, both in developed and developing countries, but it has played a critical facilitative role in the demographic, social, and political transition of these societies."

At the international level, several initiative were taken for development and poverty alleviation initiatives aimed at sustainable economic and social development setting out various development goals influences the well being of the people. Education and health sector goals have been recognized as curial component of the SDG.

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Against the back drop of increasing importance being attached to human development both at national and international levels an attempt has been made to analyses the present state of social development and spending of educational sector in Uttarakhand. The state government plays a very vital role in the development of education, particularly in the primary and secondary education sectors.

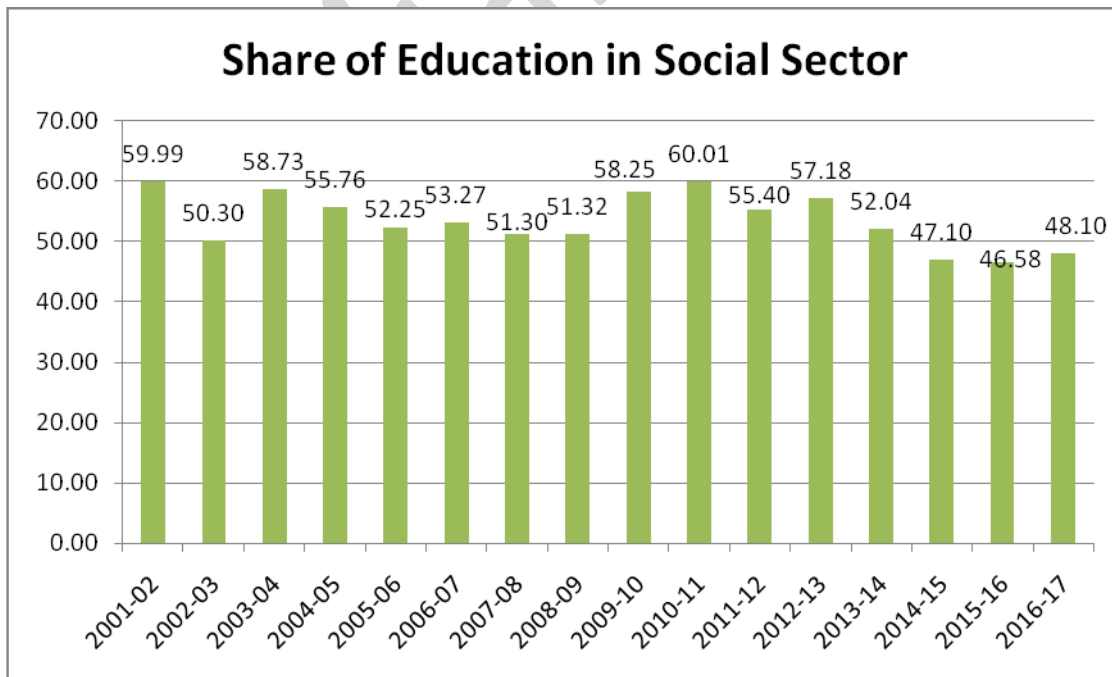
The literacy rate in Uttarakhand is higher than the all India average during the period 1951 to 2011. In 2011 census it was 78.20 per cent against all India 74.04. it ranks 16th among all the state in India. Both male and female literacy rate is higher in the state than India. But still it is about 20 per cent point lower than the leading state Kerala (94 per cent). The literacy rate in Uttarakhand has improved significantly from 19 percent in 1951 to 79 percent in 2011. The literacy for male has gone up from 32 percent in 1951 to 88 percent in 2011 and for female it has increased from 4 percent in 1951 to 65 percent in 2011.

Expenditure Pattern of Education Sector:

The Year wise segregate data of Uttarakhand State on education expenditure is given in Annexure-1. The data is divided in two broad categories i.e. revenue and capital. The education expenditure is segregated into Elementary or Primary education, Secondary education, University and higher education, Languages development, General and Technical education.

Share of Education in Social Sector:

The Figure-1 depicts an idea about that contribution in education sector in the combined social sector expenditure is average about 54 per cent. It ranges from 60.01% in 2010-11 and then decline to 46.58% in 2015-16, in 2016-17 it marginally increased to 48.10%.



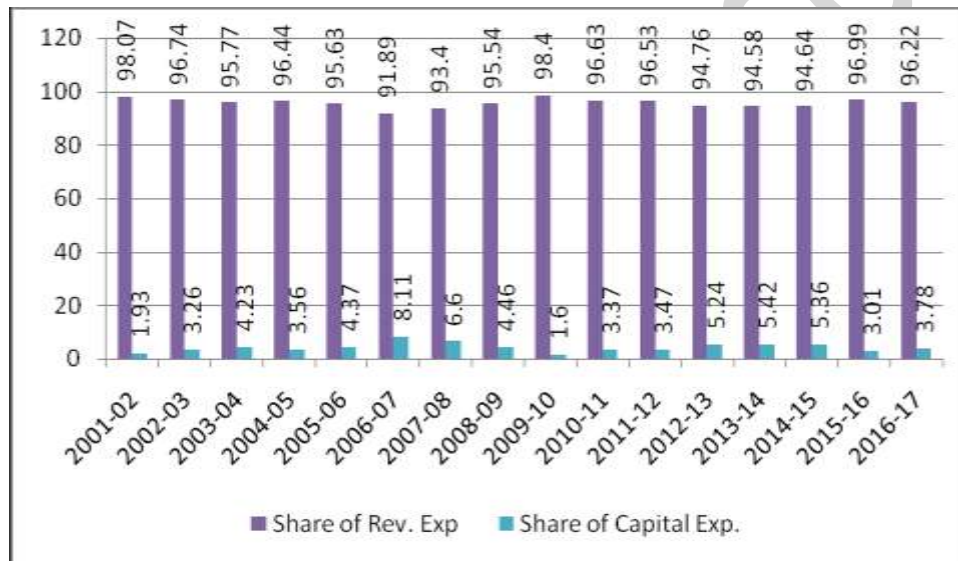
Source: Author calculation from table.

Revenue and Capital Expenditure:

A worrying feature of social sector expenditure particularly is education sector in India as well as Uttarakhand in the fact that no importance has given to investment. This is reflected in the fact that capital expenditure constitute a very small position of total social sector expenditure and revenue component is above 95% Revenue expenditure consist mainly of salaries while capital expenditure results in infrastructure development. Figure-2 shows the revenue capital composition of Uttarakhand expenditure on education sector.

As observed from the figure-2, the share of revenue component of total education expenditure of state was highest in 2009-10(98.37%) and lowest during 2006-07 (91.56%) in 2006-07 the capital expenditure was highest at 8.44% while it was lowest in 1.62% in 2009-10.

Figure-2: Share of Revenue, Capital Expenditure from Total Education Expenditure

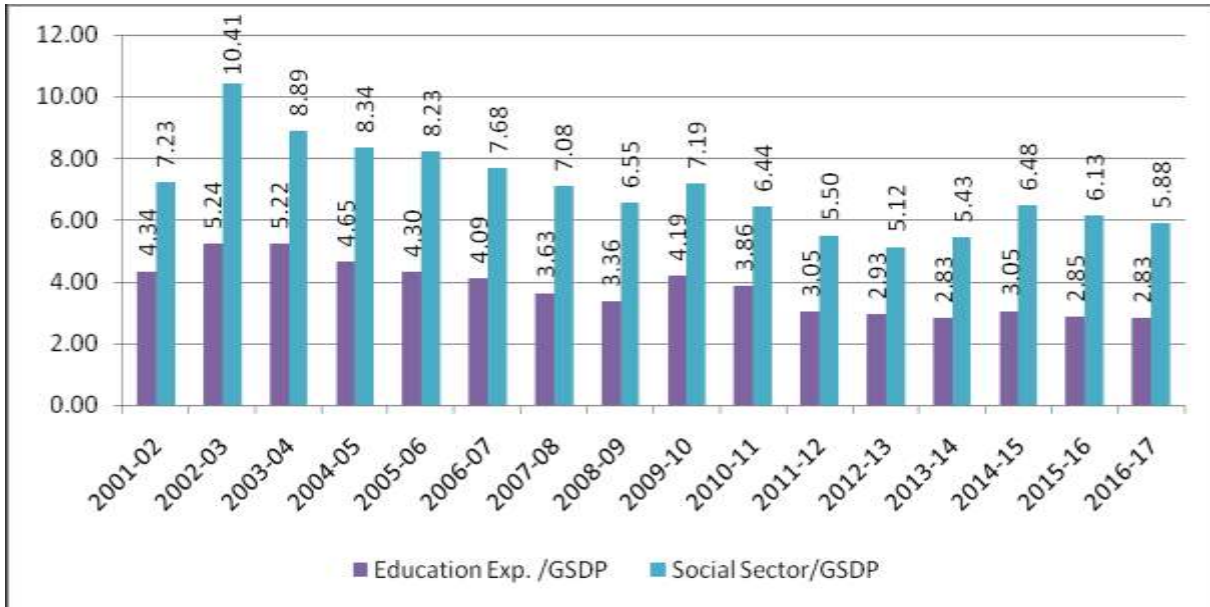


Source: Author calculation from table.

Expenditure on Education Sector:

The recommendation of education commission (1966) to invest 6% of national income in education may be considered the target level of education expenditure of state government. Figure-3 shows education expenditure as percentage of their GSDP. It is observed from the figure that Uttarakhand had never achieved the recommended rate of 6% of GSDP.

Figure-3: Expenditure as per cent of GSDP



Source: Author calculation from table.

On an average social expenditure as percentage of GSDP ranged between 5.12 to 10.41% over the period. While education expenditure as percentage of GSDP ranged between 2.71 to 5.24 percent over the period education claimed a major share in total social sector on an average it was about 53% of the total social expenditure.

Expenditure on Elementary and Secondary Education:

It is well established that the contribution of primary education to development- in all socio-economic development spheres- is very significant. Not only are the economic returns to primary education estimated to be positive and high, but they are also higher than returns to Secondary and higher education. An analysis of the shares of elementary and secondary education in total education expenditure seems to be important in understanding the relative importance given to these two stages in resource allocation.

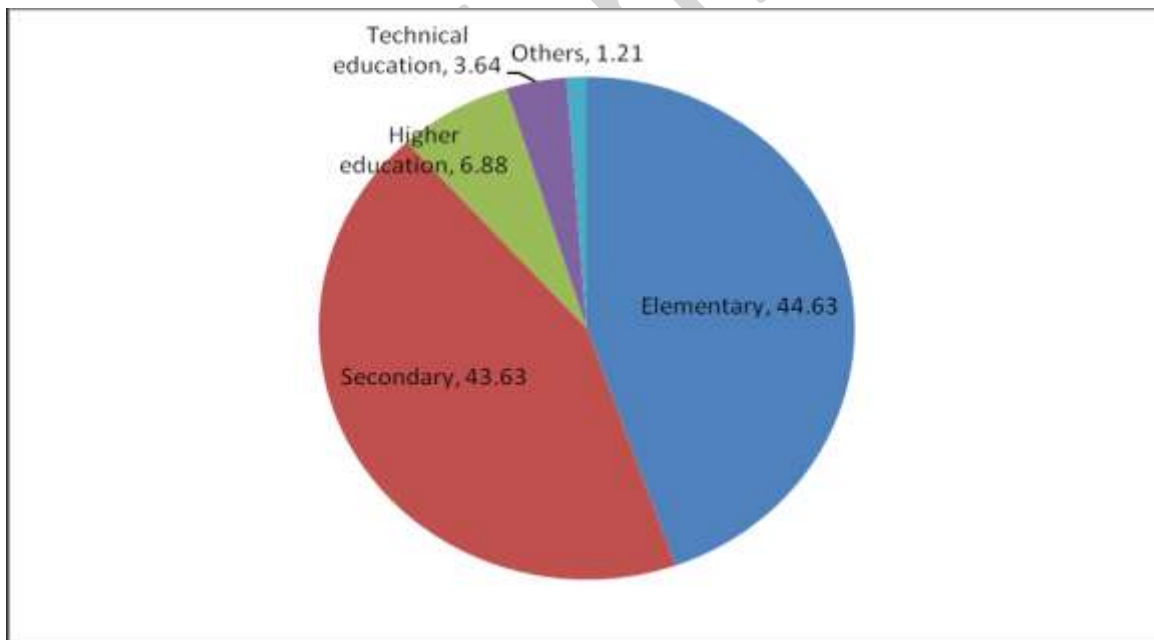
**Table-2: Share of Elementary, Secondary, Higher and Technical Education
From Total Education Expenditure.**

Year	Elementary/Total edu	Secondary/Total Edu	Higher education / Total Education	Technical education /Total Edu
2001-02	40.93	43.87	7.16	5.42
2002-03	46.18	41.47	6.54	4.69
2003-04	46.31	41.10	8.11	3.28
2004-05	46.28	41.21	7.56	3.83
2005-06	45.05	41.53	8.03	4.40

2006-07	41.86	42.27	9.98	4.93
2007-08	43.06	43.22	9.04	3.75
2008-09	41.87	47.71	6.20	3.09
2009-10	46.83	44.47	5.10	2.47
2010-11	46.75	42.66	6.68	2.66
2011-12	45.84	45.75	4.71	2.46
2012-13	44.32	46.37	5.76	2.41
2013-14	42.85	44.66	6.35	4.92
2014-15	45.65	42.90	5.63	4.68
2015-16	45.81	43.39	6.76	2.89
2016-17	44.46	45.47	6.53	2.42

Elementary education claims a major portion of the education expenditure indicating the commitment of government towards the objective- elementary education free to all. Figures of expenditure on elementary education as a percentage of total education expenditure are presented in table-2. As observed from the table, the States on an average spent about 44.63% of their total education expenditure on elementary education and almost 43.63% on secondary education.

Fig-4: Percentage Share of Education Expenditure



Source: Author calculation from table.

CONCLUDING REMARKS:

The main features of the analysis in education sector expenditure are as follows:
On an average, social sector and education expenditure as a percentage of GSDP ranges between 5.12 to 10.41 and 2.71 to 5.24 respectively over the period 2001-12 to 2015-16.

Share of education expenditure as per cent of GSDP was less than 6 per cent.

Elementary and Secondary education claims a major share in total education expenditure on an average elementary and secondary education share was about 44.64 per cent and 43.51 per cent respectively.

Education claimed a major share in total social sector expenditure on an average it was about 54 per cent of the total social sector expenditure.

REFERENCE

- i. (2003), world development report, Oxford University Press.
- ii. (2001), National Human Development report, UNDP.
- iii. Department of Education, Uttarakhand Government.

Annexure-1.

Table-1: Year wise Expenditure Data on Education, Social Sector and Total State

(Rs. Crore)

Item	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue Expenditure on Education	673.38	935.68	1021.72	1111.85	1231.03	1383.67	1555.4	1800.54	2916.52	3134.16	3416.12	3690.46	4005.86	4659.91	4875.49	5311.22
Elementary education	281.04	446.66	494.06	533.61	579.95	630.35	714.92	789.08	1387.89	1515.42	1588.82	1704.82	1802.77	2226.77	2287.84	2430.33
Secondary education	301.21	389.84	407.67	446.49	493.28	552.97	644.06	838.89	1293.53	1292.52	1546.6	1684.42	1807.19	2019.79	2150.86	2420.43
University and higher education	49.19	58.77	74.97	77.11	95.1	128.31	137.26	107.8	146.65	213.43	159.9	183.17	212.02	233.59	257.17	284
Languages development	1.67	2.64	3.46	3.07	3.18	3.29	3.48	4.4	10.96	15.58	15.4	14.85	19.89	19.18	19.92	19.2
General	3.08	8.16	9.27	9.75	9.63	11.08	12.06	16.86	22.48	24.96	27.4	29.14	31.84	36.99	38.21	42.12
Technical education	37.19	29.61	32.29	41.82	49.89	57.67	43.62	43.51	55.01	72.25	78	74.06	132.15	123.59	121.49	115.14
Capital Expenditure on Education	13.27	31.52	45.18	41.05	56.24	122.19	109.95	84.036	47.56	109.26	122.78	204.12	229.74	264.04	151.23	208.52
Elementary education							2.18	0.06	0.06	0.96	33.54	21.29	12.16	20.98	14.95	23.99
Secondary education		11.26	30.84	28.67	41.32	83.61	75.75	60.176	24.71	91	72.27	121.66	84.32	92.69	30.01	89.47
University and higher education		4.5	11.59	10.06	8.22	21.98	13.26	9	4.58	3.15	6.82	41.26	56.92	43.56	82.71	76.55
Technical education		15.76	2.75	2.32	6.7	16.6	18.76	14.8	18.21	14.15	8.91	19.91	76.34	106.81	23.56	18.51
Languages development											1.24					
Total Expenditure on Education	686.65	967.2	1066.9	1152.9	1287.27	1505.86	1665.35	1884.576	2964.08	3243.42	3538.9	3894.58	4235.6	4923.95	5026.72	5519.74
Total Social Sector (Revenue)	1117.57	1553.55	1692.89	1904.18	2255.7	2454.93	2828.66	3391.84	4980.28	5169.49	6019.65	6095.84	7298.01	9223.68	9926.69	10528.58
Total Social Sector (Capital)	27.1	369.19	123.59	163.27	208.03	372.12	417.89	280.52	108.6	235.24	368.58	714.82	840.81	1230.74	864.03	947.61
Revenue Expenditure	2938.16	3675.59	4361.52	5035.73	5610.97	6476.84	7254.56	8395.36	10657.48	11621.08	12975.32	13960.22	16216.41	20884.36	23086.44	25272
capital Expenditure	208.26	2309.46	2257.1	2182.88	2307.98	2715.17	3232	3169.29	3539.48	3094.77	4488.2	5302.04	5872.13	6314.04	6497.34	6247
Capital Outlay	249.84	338.84	533.3	1127.36	1705.42	1699.26	2234.82	2016.33	2136.73	1854.84	2317.31	3542.1	3712.02	4939.05	4217.39	4954
Total Expenditure	3224.42	5985.05	6618.62	7218.61	7918.95	9192.01	10486.56	11564.65	14196.96	14715.85	17463.52	19262.26	22088.54	27198.4	29583.78	31519
GSDP(at current prices)	15825	18473	20438	24785.7	29951.38	36795.99	45855.73	56024.76	70729.98	83965.61	116164.9	132919.3	149873.1	161439	176171	195192

Source: data is collected form department of education, Uttarakhand government.