

A COMPARATIVE STUDY OF THE TRENDS OF PUBLIC EXPENDITURE ON EDUCATION IN INDIA WITH SPECIAL REFERENCE TO SCHOOL EDUCATION

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Education is the most essential, basic, and vital factor for sustainable development and prosperity of a nation. School education has an intrinsic value for the whole development of the society and it also helps in the accomplishment of a better social structure, strong functional literacy and enables individuals to make better use of economic opportunities, skills and available natural resources. Proper public expenditure and additional resources are required for universal elementary education. This study reaffirms that the goal of free, compulsory, universal and quality based school education or goals of SDGs related to education can only be achieved by the joint commitment of Central and state governments.

Keywords: Education, School Education, Public Expenditure

INTRODUCTION

Government has double roles as protector of rights and provider of the basic goods and services that individuals cannot offer for themselves. These roles are the basic underlie of the responsibilities of government for ensuring equitable, inclusive and high-quality education for all.¹

Education is the most essential, basic, and vital factor for sustainable development and prosperity of a nation. It is a long-established, significant, and decisive factor for proper social sector development in the country because education has an intrinsic value for the whole development of the society and it also helps in the accomplishment of a better social structure, strong functional literacy and enables individuals to make better use of economic opportunities, skills and available natural resources. The most important indicators of development such as growth rate (GDP, Per-capita Income), Birth Rate, Death Rate, Infant Mortality Rate(IMR), TFR and Literacy Rates, all are inter connected to basic school education. Thus basic education is not only a service but is an important and critical resource which is essential for the economy as well as over all development of the society.

For the promotion and empowerment of women in the society the importance of school education have been accepted by all the countries, researchers and policy makers. The Human Development Report 2016 highlights the role of female education as- “Investing in girls and women has multidimensional benefits—for example, if all girls in developing countries completed secondary education, the under-five mortality rate would be halved.”²

The present study highlights the trends of the pattern of public expenditure on education/elementary education in India and abroad along with the trends of the state of Jharkhand. The study reveals that the goal of universal elementary education across the country can achieve only by the appropriate expenditure by the central and state government. Initially education was the responsibility of concerned state but in the year 1976 it became joint responsibility of both the central and state governments, as it was placed in the Concurrent List of the constitution.

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OBJECTIVES OF THE STUDY

The objectives of the study are mentioned below:

1. To study of the global scenario of the trends of public expenditure on education.
2. To analyze the trends of public expenditure of Central government of India on Education and especially on school education.
3. To evaluate the interstate variations of the trends of public expenditure on school education in all neighboring states of Jharkhand.
4. To highlights the recent allocation under Union Budget of India to education sector.

METHOD

The study is based upon the analysis of the secondary data collected from the various sources like Union Governments' Budget Documents, State Government Budget Documents, and Economic Surveys of various years, Annual Reports of MHRD, Human Development Report and Publication of BRICS countries. To examine the trends of public expenditure on education; Global Trends, National Trends and Interstate Trends have been analyzed with the help of various indicators i.e. Public Expenditure on Education as percentage of GDP, Public Expenditure as percentage of GSDP, Per Child Expenditure & Per Student Spending on School Education, and Allocation to Education in Union Budget and Allocation to Various Centrally Sponsored Schemes.

Table: 1 Global Trends of Public Expenditure on Education (as % of GDP)

Year	% of GDP
2000	3.94
2001	4.09
2002	4.01
2003	4.16
2004	4.03
2005	4.13
2006	4.19
2007	4.23
2008	4.40
2009	4.74
2010	4.60
2011	4.48
2012	4.61
2013	4.72
2014	4.88
Average	4.16

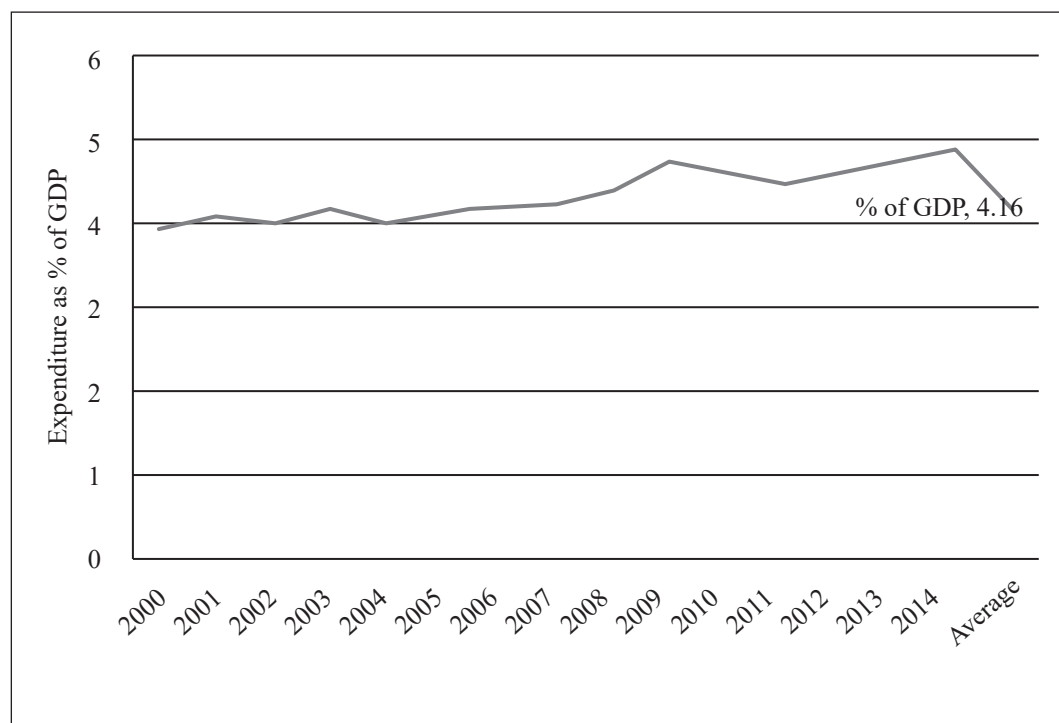
Source: <http://databank.worldbank.org>

Global Trends of Public Expenditure of Education

This section of the study throws light on the trends of expenditure on education by the time series data of government expenditure on education as percentage of GDP from the year 2000 to 2014. Supplementary, it also represents the globally comparative trends of government expenditure on education.

It is apparent from the perusal of the table 1 that during the years 2000 to 2014 there is 4.16% average expenditure on education around the world. Only the year 2000 in last 14 years is indicating the percentage less than 4%. The time series trends of expenditure on education also reveal approx constant trend line of expenditure. (Figure: 1)

Figure: 1 Global Trends of Public Expenditure on Education (% of GDP)



Source: <http://databank.worldbank.org>

Trends of Government Expenditure on Education among BRICS Nations

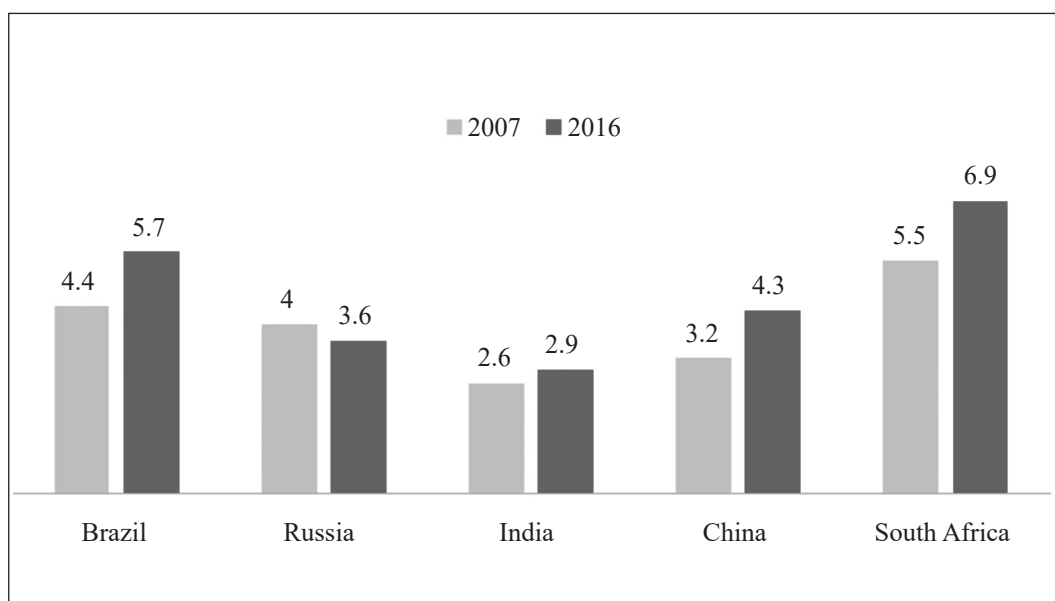
The five countries of Brazil, Russia, India, China and South Africa are known as BRICS nations. BRICS nations hold significant importance in the region as all the members are also the member of G20. As per the Joint Statistical Publication 2017 of BRICS, “These five countries have a collective GDP of US\$18.6 trillion, about 23.2% of the gross world product, combined GDP at Purchasing Power Parity (PPP) of around US\$40.55 trillion (32% of World’s GDP PPP) and an expected US\$4.46 trillion of joint foreign reserves.”³

The Joint Statistical Publication 2017 of BRICS reports the following trends of public expenditure on education as percentage of GDP-

Table: 2 Public Expenditure on Education as % of GDP

Countries	Years		Indication
	2007	2016	
Brazil	4.4	5.7	Data for 2014 instead of 2016
Russia	4.0	3.6	Estimate data for the year 2016
India	2.6	2.9	Budget estimates for the year 2016
China	3.2	4.3	Data for 2015 instead of 2016
South Africa	5.5	6.9	Data for 2012 instead of 2016.

Source: BRICS Joint Statistical Publication 2017

Figure: 2 Trends of Public Expenditure among BRICS

Source: BRICS Joint Statistical Publication 2017

It is comprehensible from the table 2 and figure 2 that the trends of government expenditure on education as a percentage of GDP amongst the BRICS countries, India's figures are showing the least in both years of 2007 with 2.6% and in 2016 with 2.9%. It means India is spending lowest proportion of GDP in the comparison of other countries in the group; while South Africa secures first rank with 6.9% of GDP than other countries in 2016. Cumulatively all the nations of this group have increased their public expenditure on education from 2007 to 2016 but India has only shifted from 2.6% to 2.9 % in 2016.

The indicating trends of the table shows the need for more government expenditure on education to achieve the target of the universal education and the attainment of Sustainable Development Goal - 4 "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all" within the fixed time frame.⁴

Country wise (HDI Ranking Based) Trends of Government Expenditure on Education

The paper uses the data of Human Development Report with the classification of various countries with their HDI ranking and attempt has been made to find out the trends of public expenditure as percentage of GDP on education in top three countries in each groups of HDI ranking. The groups are classified as- Very High Human Development Countries; High Human Development Countries; Medium Human Development Countries; Low Human Development Countries.⁵

Table: 3 Comparison of Government Expenditure on Education

S. No.	Countries with HDI Rank	Govt. Expenditure on Education as % of GDP
Very High Human Development		
1	Norway	7.4
2	Australia	5.3
3	Switzerland	5.1
High Human Development		
1	Belarus	5.0
2	Oman	5.0
3	Barbados	6.7
Medium Human Development		
1	Moldova (Republic of)	7.5
2	Botswana
3	Gaborn
Low Human Development		
1	Swaziland	8.6
2	Syrian Arab Republic
3	Angola	3.4
India- 131 Rank (Medium Human Development)		3.8

Source: Human Development Report, 2016

It is crystal clear from observation the table 3 that among the top three countries under the ranking of high human development classification Norway is holding first rank in not only in the expenditure of 7.4 % of GDP but in overall ranking of HDI. Belarus, Moldova and Swaziland are having first rank in their classified groups with 5.0%, 7.5% and 8.6% of expenditure on education respectively. As per the HDI Report, 2016 India holds 131st rank and in the comparison of above mentioned countries the public expenditure on education is 3.8% just equal to Angola (3.4%), a very small country than India.

Trends of Public Expenditure on Education in India

The Sources of the financing of education can be classified in to Public Sector & Private Sector. The present study analyses the trends of public sector expenditure (Central government and state government of Jharkhand) towards school education. Earlier the public expenditure was distinguished between Plan and Non-plan expenditure which has been merged by the government now.

Comparison of the Trends of GDP and Expenditure on Education

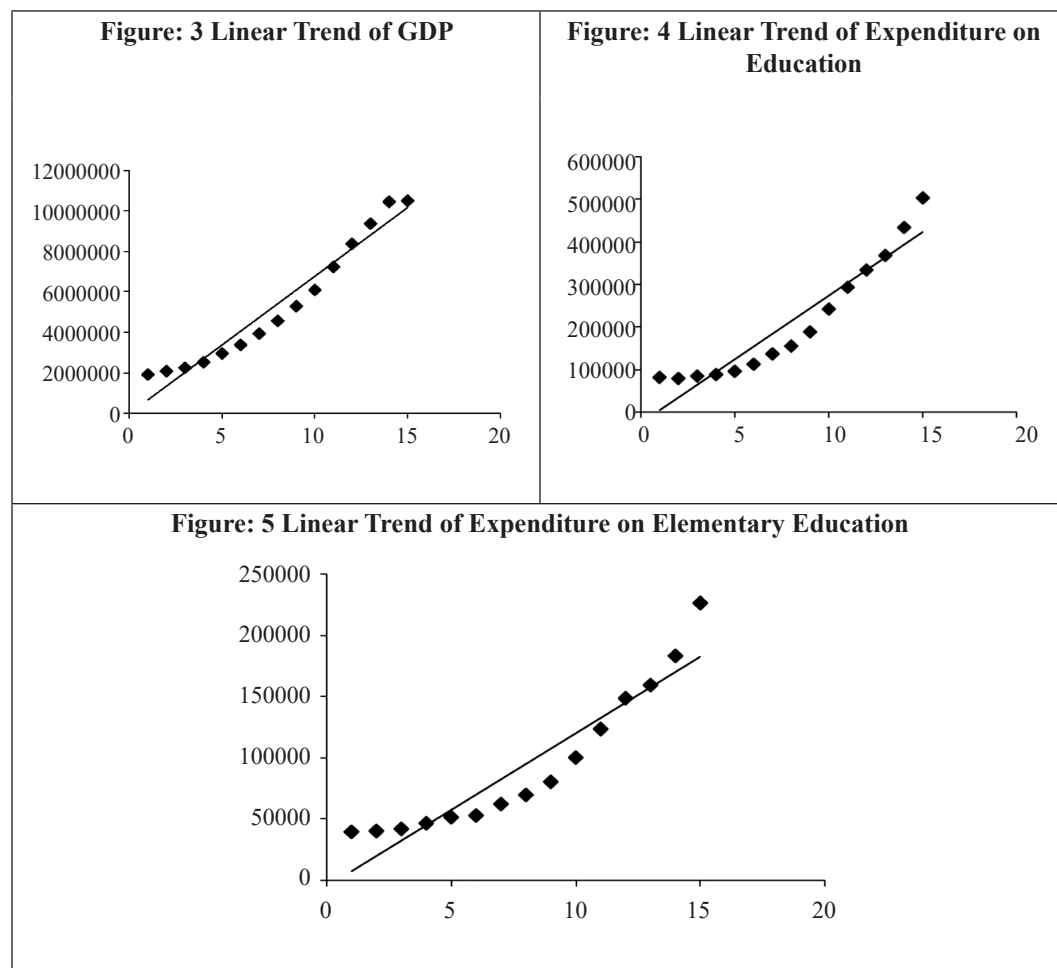
In this section of the paper an attempt has been made to study the trends of GDP and expenditure on education along with expenditure on elementary education. Growth of GDP is one of the important variables of the determination of the public expenditure on education

Table: 4 Trends of GDP and Expenditure on Education in India

Years	GDP (Rs. Cr.)	Expenditure on Education	Expenditure on Elementary Education	% of Education in GDP	% of Elementary Education in GDP
2000-01	1925017	82486.48	39274.60	4.28	2.04
2001-02	2097726	79865.71	40019.36	3.81	1.91
2002-03	2261415	85507.33	41747.26	3.78	1.85
2003-04	2538170	89079.25	46321.21	3.51	1.82
2004-05	2971464	96694.10	51247.87	3.25	1.72
2005-06	3390503	113228.71	52722.41	3.34	1.56
2006-07	3953276	137383.99	62063.29	3.48	1.57
2007-08	4582086	155797.27	69526.25	3.40	1.52
2008-09	5303567	189068.84	80313.91	3.56	1.51
2009-10	6108903	242504.82	100081.80	3.98	1.64
2010-11	7248860	293478.25	123550.81	4.04	1.70
2011-12	8391691	333930.39	148664.77	3.97	1.77
2012-13	9388876	368132.81	159476.31	3.92	1.69
2013-14 (RE)	10472807	433640.58	183440.21	4.14	1.75
2014-15 (BE)	10522686	502929.35	226702.51	4.77	2.15

Source: Economic Surveys, Govt. of India.

From the perusal of table 4 it is evident that that in terms of economic growth (GDP) India have significance achievements as the total size of GDP at factor cost at current prices in 2000-2001 was Rs. 1925017 crore which has reached to Rs. 10522686 crore in 2014-15 as per the budget estimates. Expenditure of education has also increased in same corresponding years but in terms of GDP it has not increased as suggested by many committees and education policies in the country. As for as elementary education is concerned the trends of public expenditure as share of GDP is still maintaining 2 percent of total GDP in India. The linear trend lines of GDP, Expenditure on Education and Expenditure on Elementary Education are showing positive trends and high degree of correlation. (See figure 3, 4 & 5)



Source: Economic Surveys, Govt. of India.

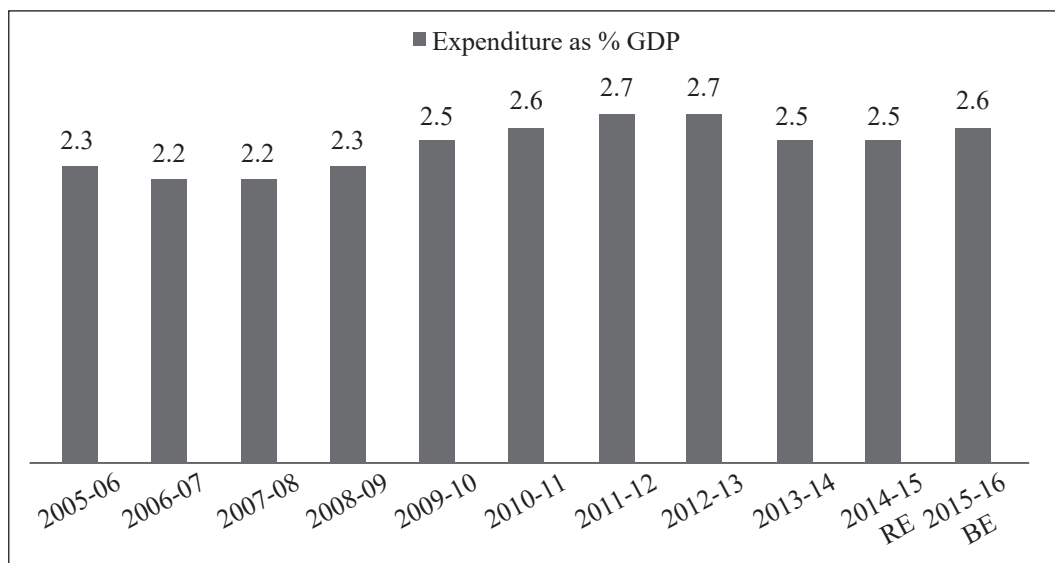
Public Expenditure on School Education as % of GDP

Usually public expenditure on education in a country is always compared as percentage of GDP. The table 5 is representing the trends of public expenditure as percentage of GDP on school education in India.

Table: 5 Trends of Public Expenditure on School Education

Year	Expenditure as %GDP
2005-06	2.3
2006-07	2.2
2007-08	2.2
2008-09	2.3
2009-10	2.5
2010-11	2.6
2011-12	2.7
2012-13	2.7
2013-14	2.5
2014-15 RE	2.5
2015-16 BE	2.6

Source: Budget Documents of Corresponding Years.

Figure: 6 Trends of Public Expenditure on School Education

Source: Budget Documents of Corresponding Years.

It is reported from the table 5 that, there is a 0.8 percent increase from the year 2005-06 to 2015-16. It is also clear that expenditure trends from 2005-06 is showing constant increase with an average of 2.5 percent of public expenditure on school education. The financial years of 2011-12 and 2012-13 are showing the highest allocation of 2.7 % of GDP on elementary education. The figure shows that from 2012-13 there is a minor decline in the share for school education as a proportion of the nation's GDP.

Distribution of Public Expenditure on School Education

Classes wise distribution of public expenditure on school education reflects on the time series changes of the budgetary allocation as percentage of GDP on elementary education as well as on secondary education.

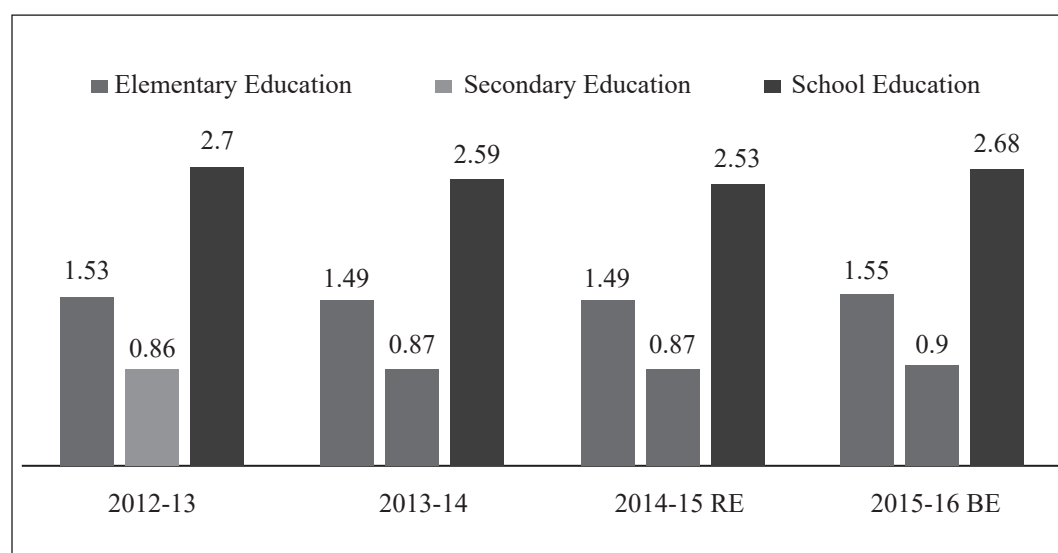
Table: 6 Classwise Trends of Public Expenditure as % of GDP

Years	Elementary Education	Secondary Education	School Education
2012-13	1.53	0.86	2.70
2013-14	1.49	0.87	2.59
2014-15 RE	1.49	0.87	2.53
2015-16 BE	1.55	0.90	2.68
Average	1.52	0.88	2.63

Source: Union Budget Documents of Corresponding Years.

Table 6 represents the trends of class wise trends of allocation on school education along with separate classification of elementary and secondary education as percentage of GDP from 2012-13 to 2015-16 in India. It is evident from the table that average expenditure on school education is 2.63% in last four years with 1.52% on elementary education and 0.88% on secondary education. Fragmented trends of the total expenditure on school education signify a small decline at elementary level between the years 2012-13 to 2013-14 and 2014-15. The highest allocation for elementary education can simply be seen in the year 2015-16 with 1.52%. The growth rate of the public expenditure on secondary education is seeing constant increase of 0.9% in the corresponding years. (Figure 6)

Figure: 7 Class wise Trends of Public Expenditure as % of GDP



Source: Union Budget Documents of Corresponding Years

Budgetary Trends of Expenditure on School Education

Under this section ‘recent changes’ of the budgetary provision and allocations have been analyzed with the help of Budget Estimates & the Actual Expenditure on school education. Budget Estimates and the Actual Expenditure are the two fundamental indicators for understanding the assurance of the government for betterment of any specific sector in the economy. Table 7 analyses the gap between budget estimates and actual expenditure from the year 2010-11 to 2017-18 under the Department of School Education & Literacy, Government of India.

Table: 7 Trends of Budget Estimates & the Actual Expenditure (in crore)

Year	Budget Estimate	Actuals	Actual / BE (%)
2010-11	33,214	36,433	110%
2011-12	41,451	40,641	98%
2012-13	48,781	45,631	94%
2013-14	52,701	46,856	89%
2014-15	55,115	45,722	83%
2015-16	42,220	41,800	99%
2016-17	43,554	42,989	99%
2017-18	46,356	47,006(RE)	101%

Source: Corresponding Union Budgets of the Government of India.

Table 7 reveals the comparison between the actual allocation and the budget estimates from 2010-11 to 2017-18 in the Department of School Education and Literacy. It is explicable from the above data that the average of Rs. 43,385 Cr. has been invested by the central government during 2010-11 to 2017-18. Year 2010-11 & 2017-18 are showing more expenditure than budget estimates. The good sign for the government is that the utilization in the last three corresponding years has been over 98% of the budget estimates.

Distribution of Allocation to School Education and Higher Education

The distribution of resources between department of school & literacy and higher education highlight the trends of financing through budgetary provisions for the promotion of elementary education and higher education throughout the country.

Table: 8 Trends of Public Expenditure on School Education and Higher Education

Year	Dept. of SEL	H. Edu.	Total
Actual 2016-17	42,989	29,026	72,016
RE 2017- 18	47,006	34,862	81,869
BE 2018- 19	50,000	35,010	85,010
% change (RE to BE)	6.40%	0.40%	3.80%

Source: Expenditure Budget, Ministry of Human Resource Development, 2018-19.

Table 8 provides the data of budgetary allocation and allocated amount to the ministry of Human Resource Development, Government of India. Central government has allocated Rs 85,010 crore in 2018-19 as compared to of Rs. 81,869 crore in 2017-18. The increase is showing 3.8% increase over the period. It is also visible from the table that the Department of School Education and Literacy has received a 6.4% increase in its allocation with Rs. 50,000 crore than the RE of Rs. 47,006 crore in the year 2017-18. While the Department of Higher Education has reported 0.4% enhancement from Rs. 34,862 crore to Rs. 35,010 crore in the same period.

Current Trends of Expenditure on Education to Total Expenditure

The proportion allocated to education sector in total amount of expenditure in budget is a macro indicator of knowing the current trends of public expenditure on education or total size of expenditure budget and total amount allotted or proposed to education sector.

Table: 9 Share of Education in Total Expenditure (in Cr.)

Heads	Budget 2017-18	Revised 2017-18	Change
Education	36884	38649	(+) 1765
Total Expenditure	2146738	2217750	(+) 71015
% Share	1.72%	1.74%	(+) .02%

Source: Expenditure Profile, Budget 2018-19, Govt. of India

Table 9 analyzes the share of education in total budget allocation and highlights on the changes of expenditure between BE 2017-18 and RE 2017-18. Total public expenditure of central government is showing the absolute increase of Rs. 71015 Cr. between the budget estimates and revised estimates, while the expenditure on education sector is enhanced by the amount of Rs. 1765 Cr. As per the Expenditure Profile of the Union Budget 2018-19, the increase of Rs. 1765 Cr. in Education sector is due to the higher provision of outlays UGC and Central Universities. When we evaluate the proportion of education to total expenditure an alarming crisis again reflects that without increasing the budgetary provisions for education sector solutions of all socio-economic problems of economy and proper implementation of RTE Act is not possible.

Trends of Expenditure under MHRD in Union Budget 2018-19

In India the Ministry of Human Resource Development (MHRD) is responsible for imparting education throughout the nation and ministry has to two departments: (a) School Education and Literacy, and (b) Higher Education.

In the budget 2018-19, the Ministry has allocated Rs. 85,010 crore (3% of the central government's estimated expenditure). The allocated amount is the fifth highest allocation among all ministries of the government of India. Throughout the last 10 years of 2008-09 to 2018-19, the maximum portion was given to the MHRD in year 2014-15 of Rs. 55,115 crore. The year of 2015-16 must be noticed as the allotment was reduced by 25%. The most important cause of this was a larger plummet of funds to the states in pursuance of the recommendations of the 14th Finance Commission. After that allocation is following an upwards trends but this year the annual enhancement in allotment has declined in association with 2012-13 and 2013-14.⁶

Trends of Expenditure on Education Sector in 2018-19

To study the recent trends of public expenditure on education sector the Union budget documents of the years 2017-18 and 2018-19 have been used. Variations between the years have been represented in the following table-

Table: 10 Variations of Expenditure between 2017-18 and 2018-19

Heads	Revised 2017-18	Budget 2018-19	Variation
Education	38649	40612	(+) 1963
Total Expenditure	2217750	2442213	(+) 224463
% Change	1.75%	1.67%	

Source: Expenditure Budget, Ministry of Human Resource Development, 2018-19.

Table 10 analyses the variation of the allotment of budget to education sector as compared to total budget allocation in the years 2017-18 to 2018-19. As per the revised estimates of the union budget 2017-18 total expenditure size was Rs. 2217750 Cr. while the allocation for education sector was Rs. 38649 Cr., the share of education as percentage to total allocation calculated as 1.75%. The Government of India is giving more priorities to SDGs (Sustainable Development Goals) the proposed allocation to education sector has been increased by Rs. 1963 Cr. in than the revised estimates of union budget 2017-18. As per the expenditure profile of union budget 2018-19 the higher outlays are provided to school education and literacy.

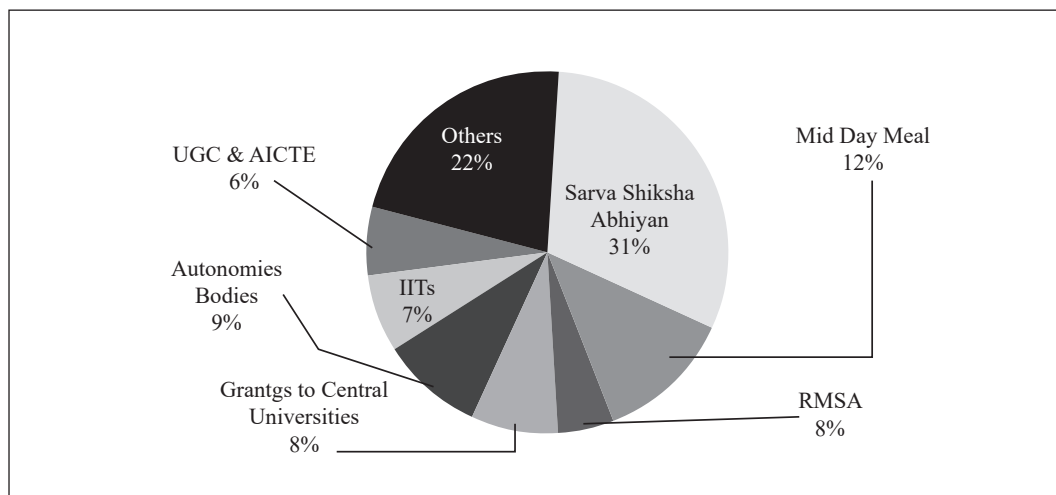
Different Heads wise share of Expenditure on Education

Different head wise expenditure of the Ministry of Human Resource Development elaborates the total allocated fund to different sub-heads like Sarva Shiksha Abhiyan (SSA), Mid Day Meal (MDM), RMSA, Autonomies Bodies, Grants to Central Universities, IITs and Others (Others Head, represents supplementary schemes and programmes of MHRD which have an allocation of less than 5% of the total expenditure).

Table: 11 Major Heads as Percentage of Total Allocation

S.No.	Heads	Expenditure (%)
1.	Sarva Shiksha Abhiyan	31%
2.	Mid Day Meal	12%
3.	RMSA	05%
4.	Autonomies Bodies	09%
5.	Grants to Central Universities	08%
6.	IITs	07%
7.	UGC & AICTE	06%
8.	Others	22%

Source: Expenditure Budget, Ministry of Human Resource Development, 2018-19.

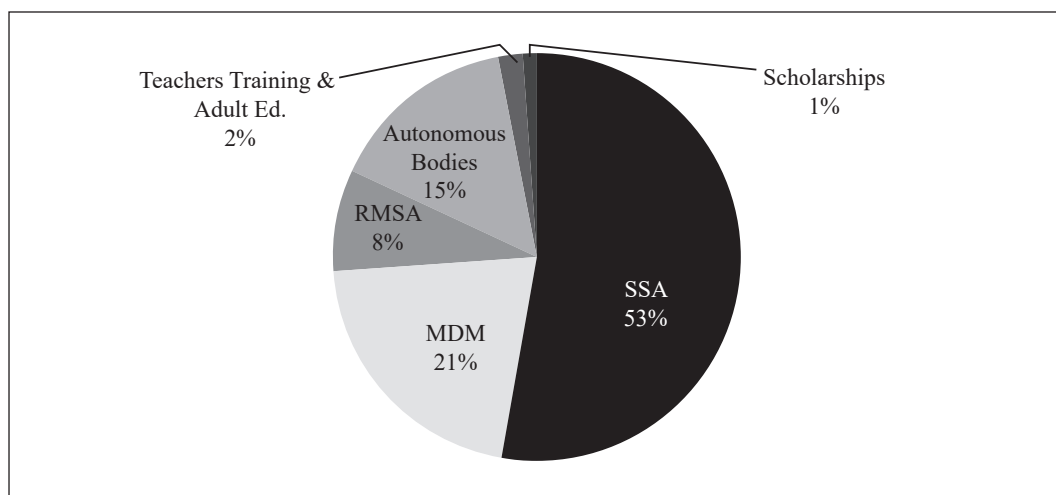
Figure: 8 Major Heads wise Share as Percentage of Total Allocation

Source: Expenditure Budget, MHRD, 2018-19

Table 11 and Figure 7 illustrate the allocated outlay to major heads under the Ministry of Human Resource Development for the financial year 201-19. It is clear that the government of India has firmly decided to achieve the target of free, compulsory and quality based universal elementary education to all children of India as the school education has received 43% of allocation in total allocation. SSA has received 31% and MDM has allocated 12% in total allocation to MHRD.

Allocation to Centrally Sponsored Schemes of School Education

Currently MHRD is importing all types of centrally sponsored schemes of education. Under this section analysis has been made to find out financial allocation for schemes related to school education.

Figure: 9 Proportion of Centrally Sponsored Schemes under DSEL

Source: Union Budget 2018-19

Figure 8 reveals current allocations for Department of School Education and Literacy in the financial year 2018-19. As per the expenditure budget profile of the Ministry in Union Budget 2018-19, expenditure on Centrally Sponsored Schemes- SSA, MDM, and Rashtriya Madhyamik Shiksha Abhiyan (RMSA) comprise major part of financial allotment as the schemes- SSA (53%), MDM (21%), and RAMSA (8%) constitute 81% of the estimated expenses of the department. The figure shows the strong governments' commitment for achieving universal, free and compulsory elementary education for all.

Interstate Analysis of Public Expenditure on School Education

Under this section the study attempts to evaluate the trends of elementary education as part of school education in all the neighbor states of Jharkhand. Interstate analysis of the funding school education is based on the following parameters-

- Trends of Expenditure on School Education as percentage of GSDP.
- Trends of the Share of School Education Budget to Total Budget of the State.
- Trends of Per Child Expenditure on School Education.
- Per Child Spending and Per Student Spending among Neighbor States of Jharkhand.

Trends of Expenditure on School Education as Percentage of GSDP

Expenditure school education as percentage of GSDP (Gross State Domestic Product) is another significant indicator of understanding the priorities of any state government towards the universal and quality education for all. Here, an attempt has been made to study the trends of public spending on school education in all neighboring states of Jharkhand including the central share of funds for SSA and RMSA from 2012-13 to 2015-16.

Table: 12 Interstate Trends of Public Spending on School Education as % of GSDP

States	2012-13	2013-14	2014-15 RE	2015-16 BE	Average
Bihar	5.5	4.7	6.2	5.6	5.50
Chhattisgarh	4.5	4.3	4.9	4.6	4.6
Jharkhand	3.1	2.5	3.5	3.6	3.2
Odisha	3.3	3.3	3.3	3.9	3.5
Uttar Pradesh	4.9	4.6	4.1	5.0	4.7
West Bengal	3.0	2.5	2.1	2.3	2.5

Source: Selected State Government budget documents

It is apparent from the examination of the table 12 that among the selected states, Bihar is holding first rank in the year 2105-16 with 5.6% of expenditure on school education as percentage of GSDP while West Bengal is lowest with 2.3% and Jharkhand (3.6%) is just one step ahead to West Bengal. A minor decline can be analyzed in 2013-14 in all the states. As far as the state of Jharkhand is concerned the expenditure the average expenditure on school education is 3.2% of state's GSDP. The low level of public expenditure on school education as percent of GSDP is one of the main causes of the socio-economic problems among these states.

Trends of the Share of School Education Budget to Total Budget of the State

Second selected parameter for the study of the trends of interstate financing school education is the share of school education in total budget of the concerned state. Share of school education to total budget has been represented in table 13

Table: 13 Share of School Education Budget to Total State Budget

States	2012-13	2013-14	2014-15 RE	2015-16 BE
Bihar	23.5	20.2	18.1	17.7
Chhattisgarh	22.1	20.4	18.9	17.0
Jharkhand	15.5	14.1	13.4	13.2
Odisha	17.6	15.9	13.2	14.0
Uttar Pradesh	22.1	19.6	15.3	17.2
West Bengal	18.7	16.4	13.3	15.8

Source: Selected State budget documents.

Table 13 examines the trends of the share of school education expenditure in total budget expenditure by using state budget documents. By the help of above motioned table the budgetary priority of the state government for school education can also be analyzed. The data of the table shows that the state of Bihar which is also known as educationally backward state is spending 17.7%, more than Chhattisgarh, Jharkhand, Odisha and Uttar Pradesh in all the four years except 2014-15 where the share of Chhattisgarh(18.9%) is higher than Bihar. Under this parameter Jharkhand ranked lowest among all the considerable states. Bihar, Chhattisgarh, and Uttar Pradesh are spending approximately at par.

Trends of Per Child Expenditure on School Education

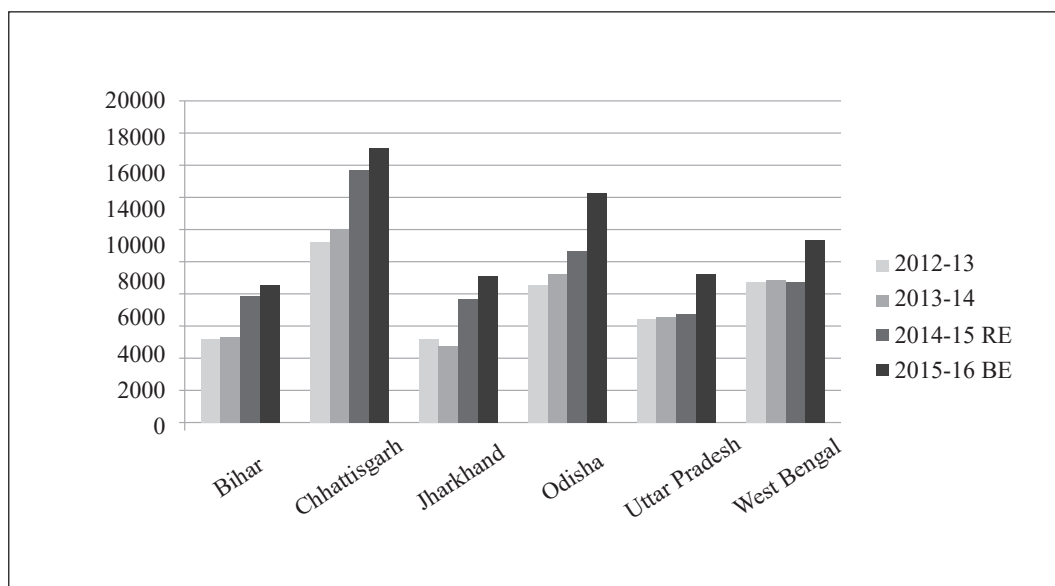
The indicator, Per Child Expenditure on School Education, of the spending on education is related to the provisions of state government for providing resources to free, compulsory, and quality education to all children. The amount of per child sending is decided by total budgetary spending as well as the number of children in a specific age group of schooling in that state. Any state which has either a relatively higher amount of allocation or a relatively lower child population can hold higher per capita number in this indicator of public expenditure on school education. Table 1.8 is based on the study of the state's budgets and population of the children.

During the years 2012-13 to 2015-16, the per child expenditure on school education has enlarged in all neighboring states of Jharkhand. As per the comparative study of the table 1.9 Bihar, Jharkhand and Uttar Pradesh are the states those have less than Rs. 10,000 per child per annum allocation and Chhattisgarh Odisha and west Bengal have more than Rs.10000 expenditure in the year 2015-16. Among the neighboring states of Jharkhand, Chhattisgarh is spending highest in comparison to other states. It is also clear that the state of Odisha has given main concern to school education in budget 2015-16 because per capita expenditure has been increased by 38% than the previous budget. (See Figure: 9)

Table: 14 Per Child Expenditure on School Education (in Rs.)

States	2012-13	2013-14	2014-15	2015-16	% Change From 2014-15 to 2015-16
Bihar	5199	5271	7872	8526	8.0%
Chhattisgarh	11281	12006	15805	17223	9.0%
Jharkhand	5156	4744	7645	9159	20%
Odisha	8517	9233	10679	14277	34%
Uttar Pradesh	6420	6534	6657	9167	38%
West Bengal	8684	8863	8728	11345	30%

Source: Public Financing of School Education in India: A Fact Sheet 2016

Figure: 10 Trends of Per Child Expenditure on School Education

Source: Public Financing of School Education in India: A Fact Sheet 2016

Per Child Spending and Per Student Spending

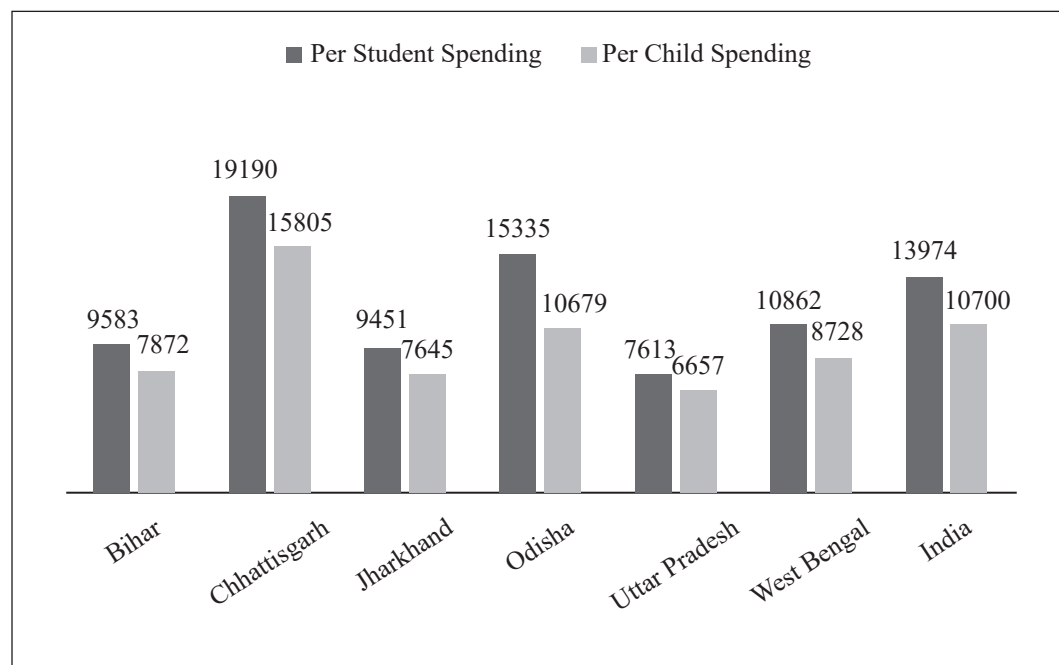
The terms 'Per Child Expenditure' and 'Per Student Expenditure' are slightly different. The first term defines the amount of the resources of any state government expenditure per annum on each under the age group of school education, whereas the second term provides a measure for the resource a state is spending on each child enrolled in government and government-aided schools. In general in an educationally backward state, where a large number of children are out of school, per student spending amount would be higher than per child expenditure. Both the factors are useful for policy assessment. Per student spending represents the unit cost of the existing government school education system, while per child spending numbers presents the degree of inclusivity of the government school education system.⁷

Table: 15 Per Child Spending and Per Student Spending Among Selected States

States	Per Student Spending	Per Child Spending	Difference
Bihar	9583	7872	1711
Chhattisgarh	19190	15805	3385
Jharkhand	9451	7645	1806
Odisha	15335	10679	4656
Uttar Pradesh	7613	6657	956
West Bengal	10862	8728	2134
India	13974	10700	3274

Source: Public Financing of School Education in India: A Fact Sheet 2016

The table 15 represents the comparative trends of per child spending and per student spending across the neighbor states of Jharkhand in year 2014-15. Chhattisgarh is only the state which has the highest rank in comparison of all the states and national average in per student spending and per child spending with the amount of Rs.19190 and Rs.15805. In both indicators Uttar Pradesh is lowest with Rs. 7613 & Rs.6657 respectively. Gap between per student spending and per child spending can be noticeable in Odisha with Rs.4656. (Figure 1.10)

Figure: 11 Per Child Spending and Per Student Spending

Source: Public Financing of School Education in India: A Fact Sheet 2016

CONCLUSION

From the study of trends of public expenditure we can say that both the central and state governments have increased public expenditure on elementary education to secure the right of education for all but in terms of GDP/GSDP the expenditure level has not reached to the required levels. Allocation to school education and higher education should be increased to reaffirms the goal of free, compulsory, universal, quality based school education with consideration of skill development and employment generation at micro levels. For the improved ranking of HDI and the solutions of all the socio-economic problems of the all neighboring states of Jharkhand joint commitment of Central and state governments are required.

References / Notes

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