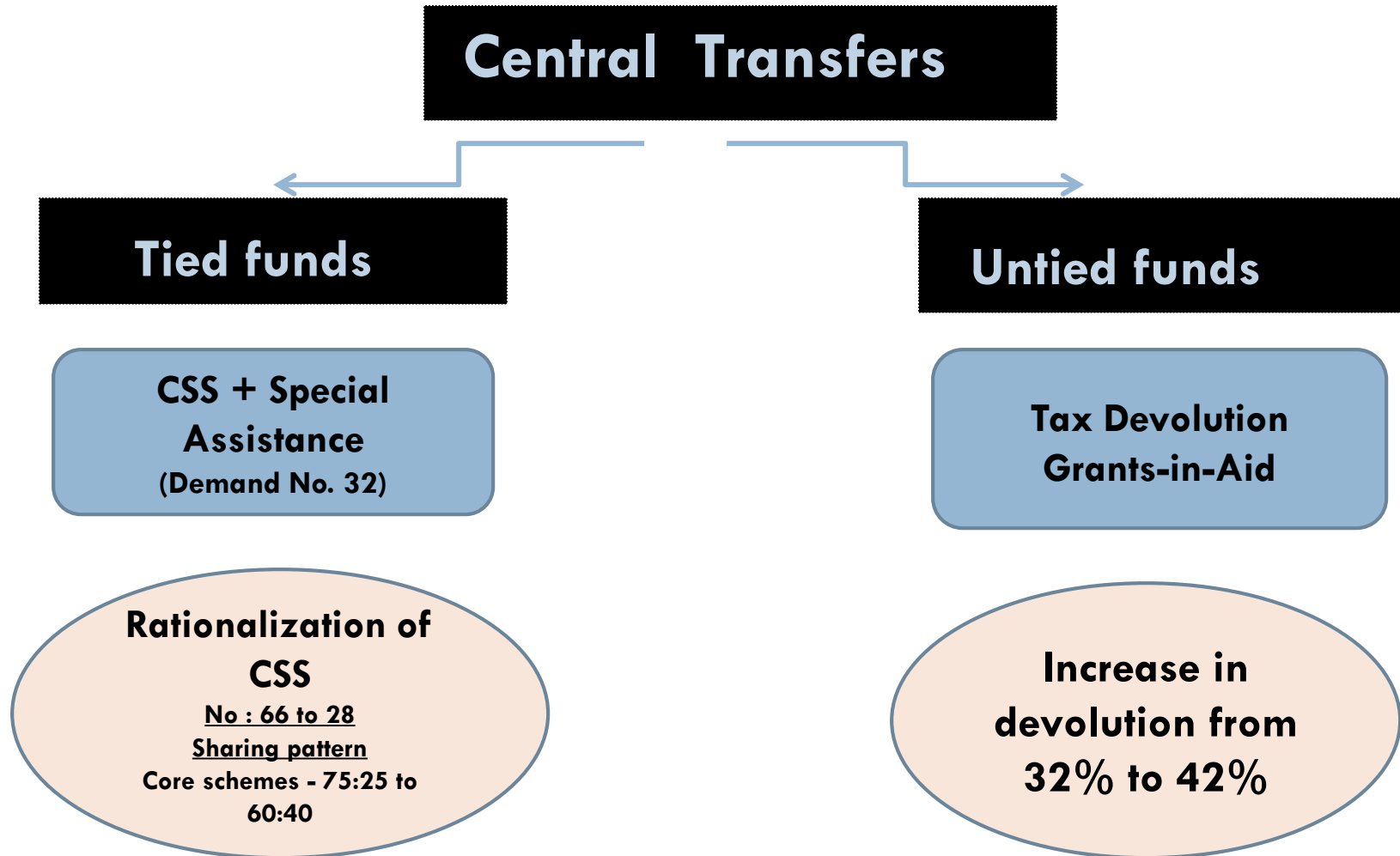


SOCIAL SECTOR EXPENDITURE BY STATES

Pre & Post 14th FC
(2014-15 & 2015-16)



Dynamics of Central Transfers to State

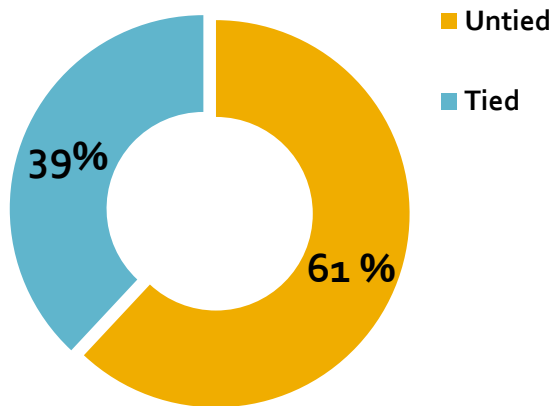


Change in Central Transfers to State

22 % increase in resources from Centre to States in FY15-16 over FY14-15

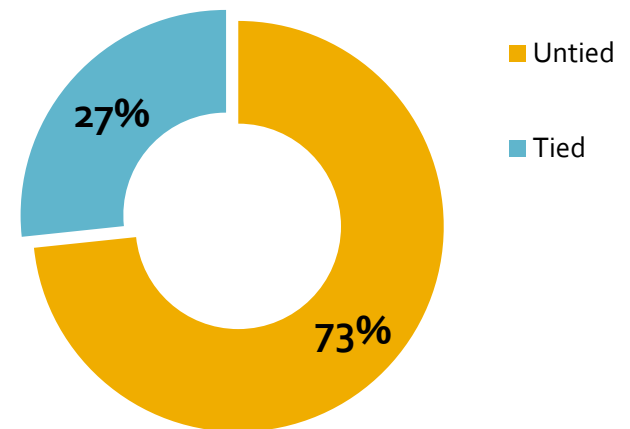
➤ **12% increase in untied resources**

2014-15



Rs.6,78,709 crore

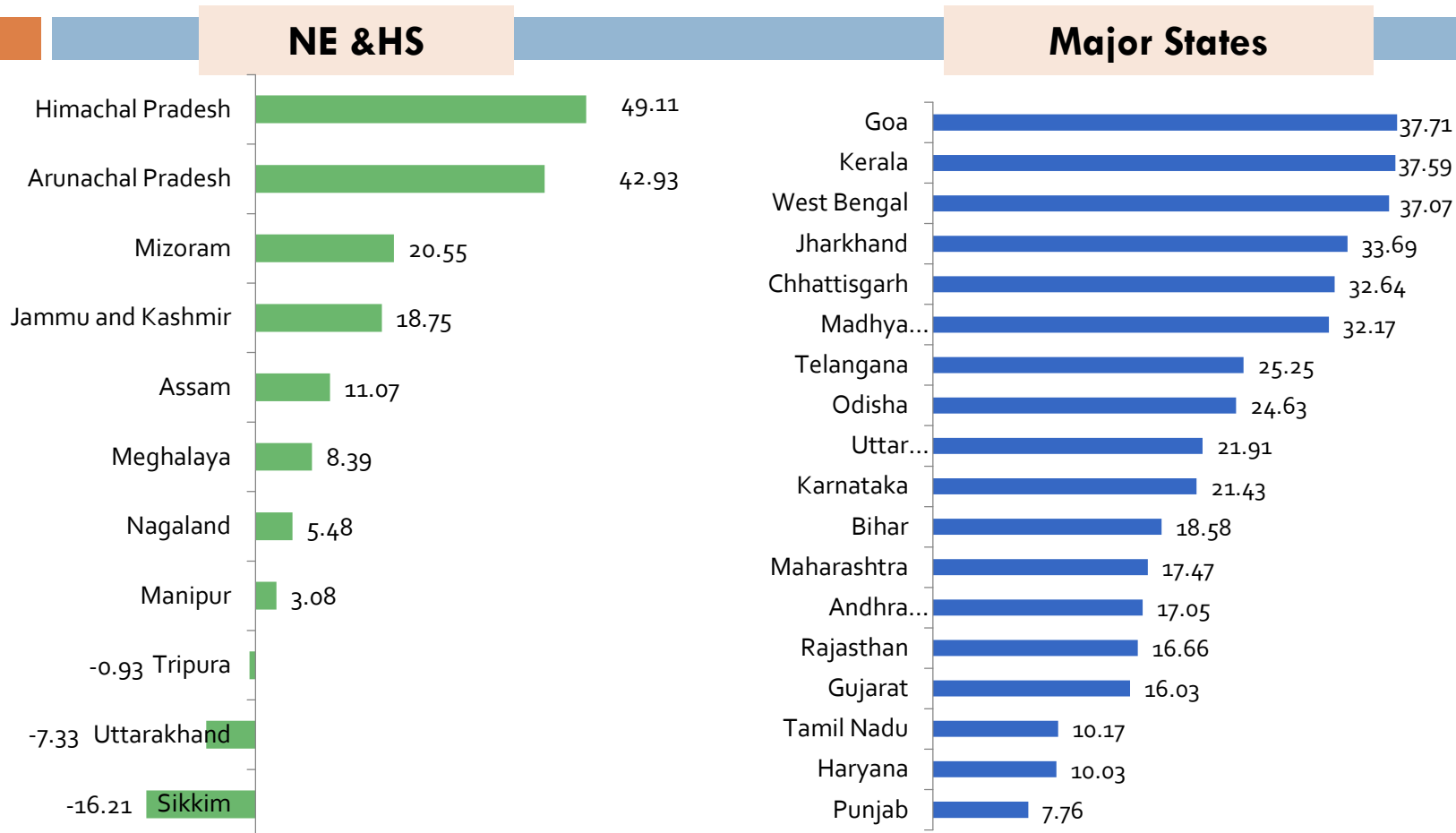
2015-16



Rs.8,22,560 crore

State - wise Total Transfers

% change in 2015-16 over 2014-15

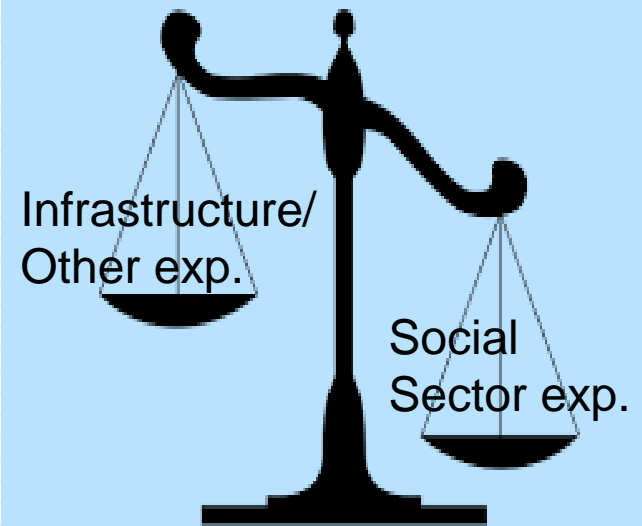


All States registered increase in total transfer, except 3 (Sikkim, Tripura, UK)

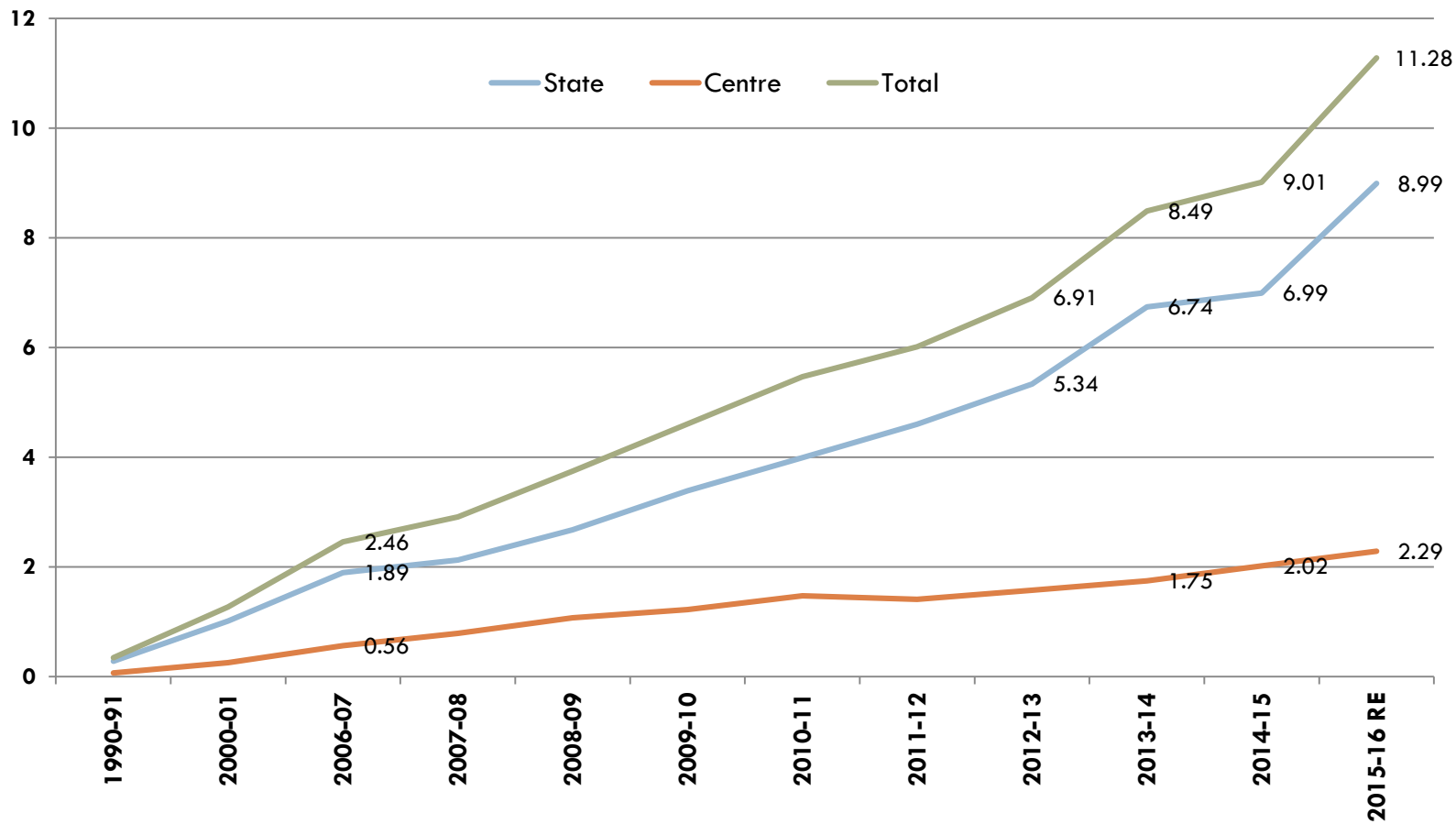
Change in Social Sector Expenditure post 14th FC

States' Responsiveness

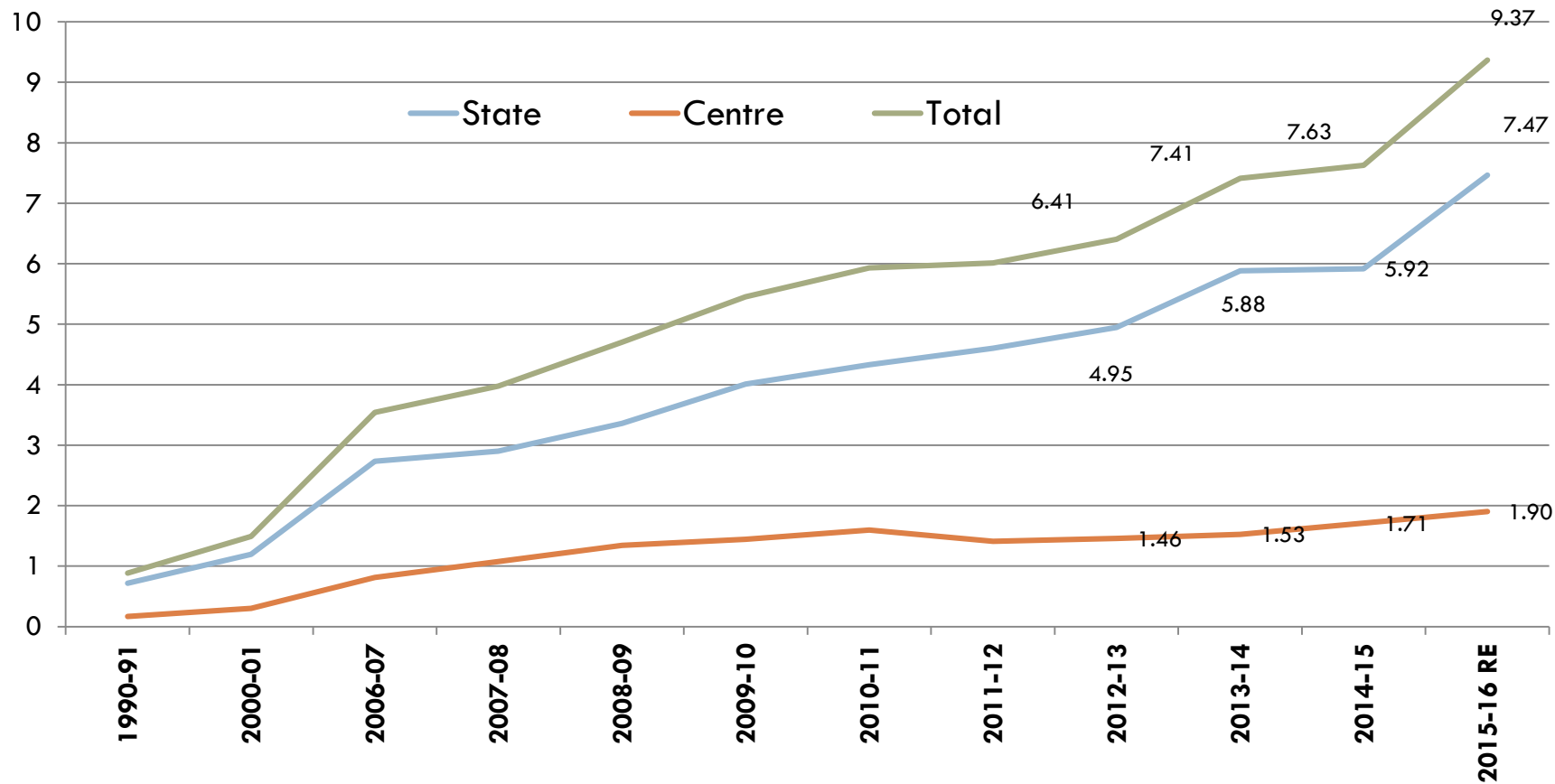
**Whether States
prioritize to spend the
untied fund more on
Bijli, Paani, Sadak at
the cost of Social
Sector (Health,
education) ?**



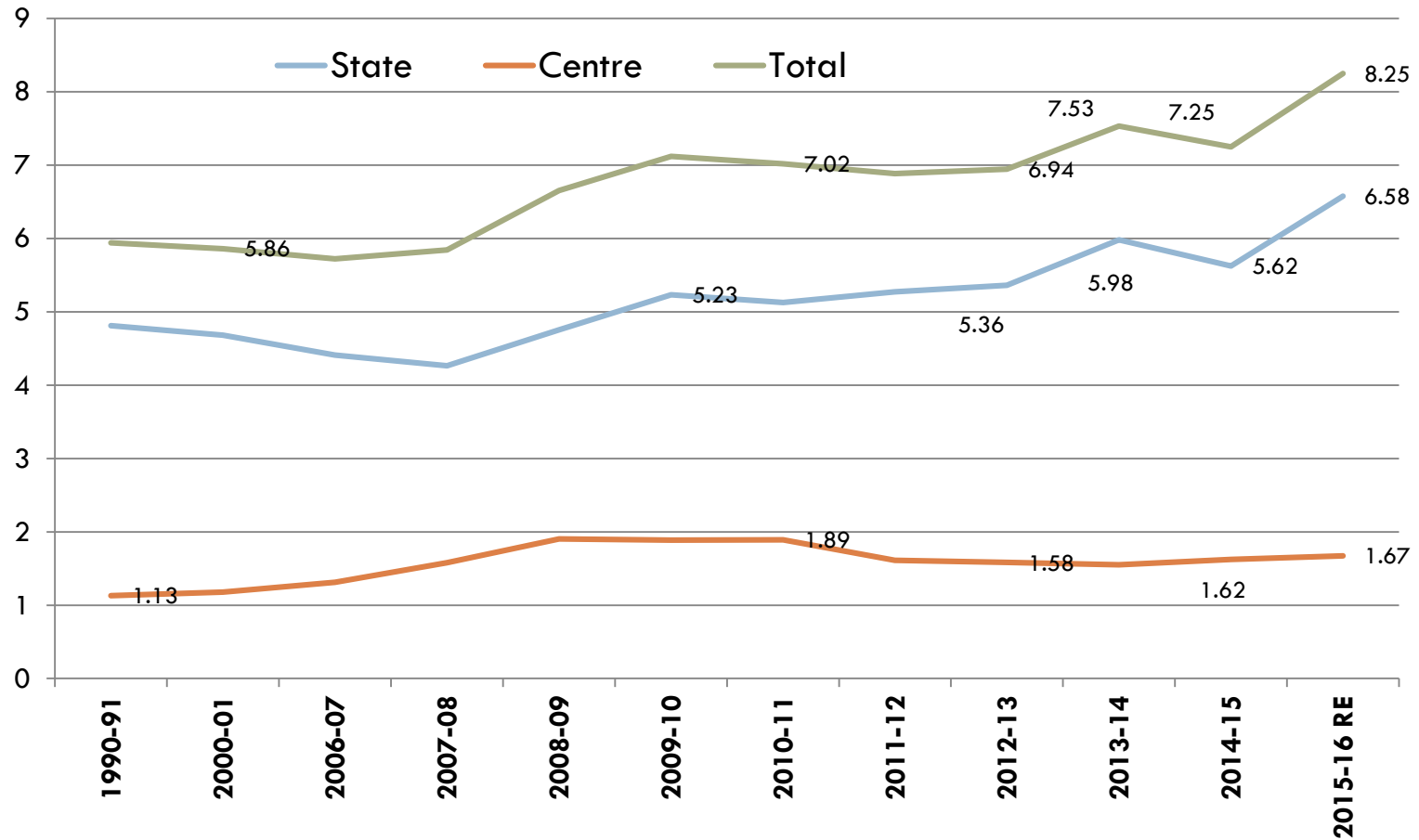
Social Sector Expenditure –Trend (1990-2016) IN LAKH CRORE (CURRENT PRICES)



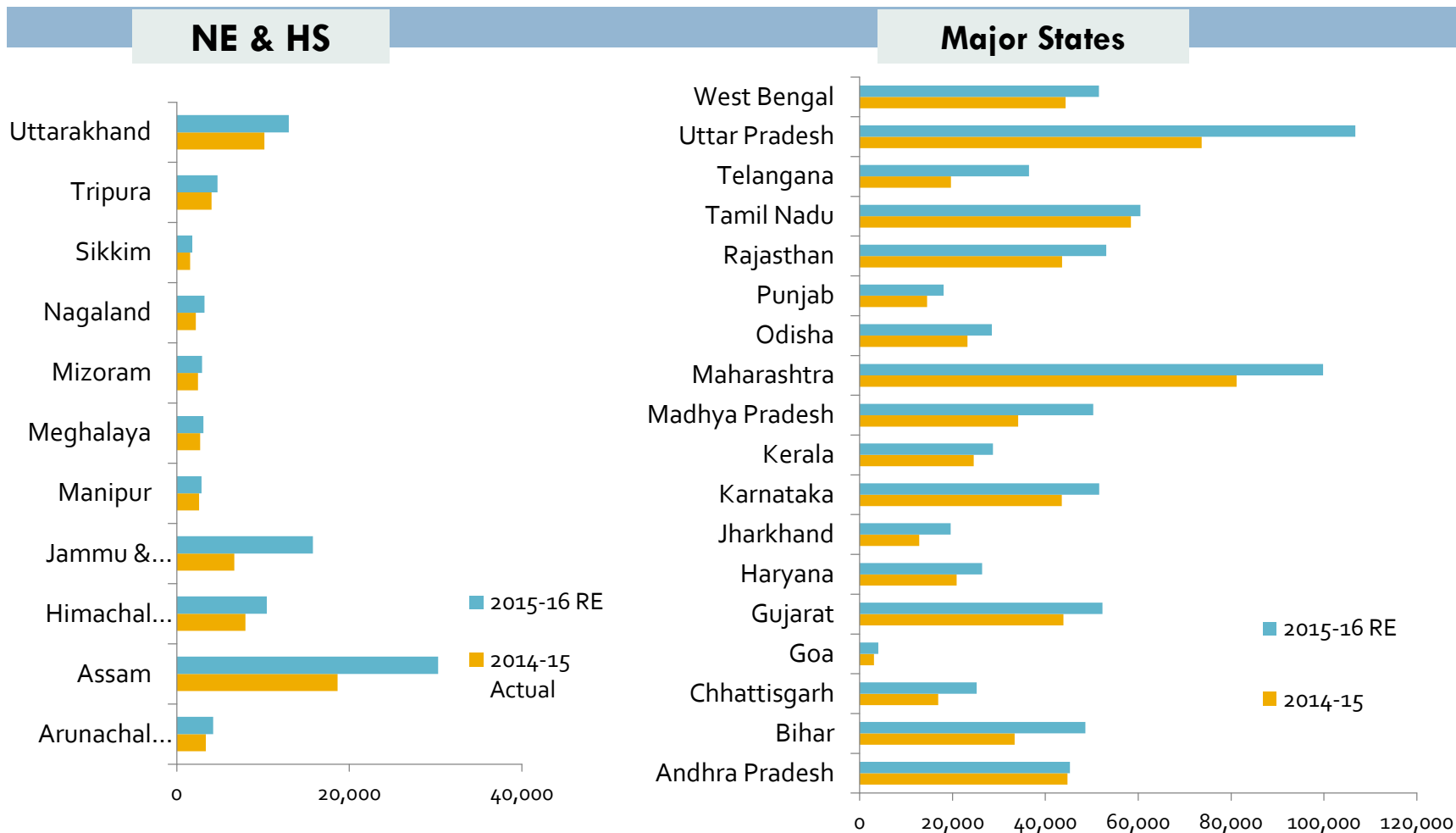
Social Sector Expenditure –Trend (1990-2016) IN LAKH CRORE (2011-12 PRICES)



Social Sector Expenditure Trend (% GDP)

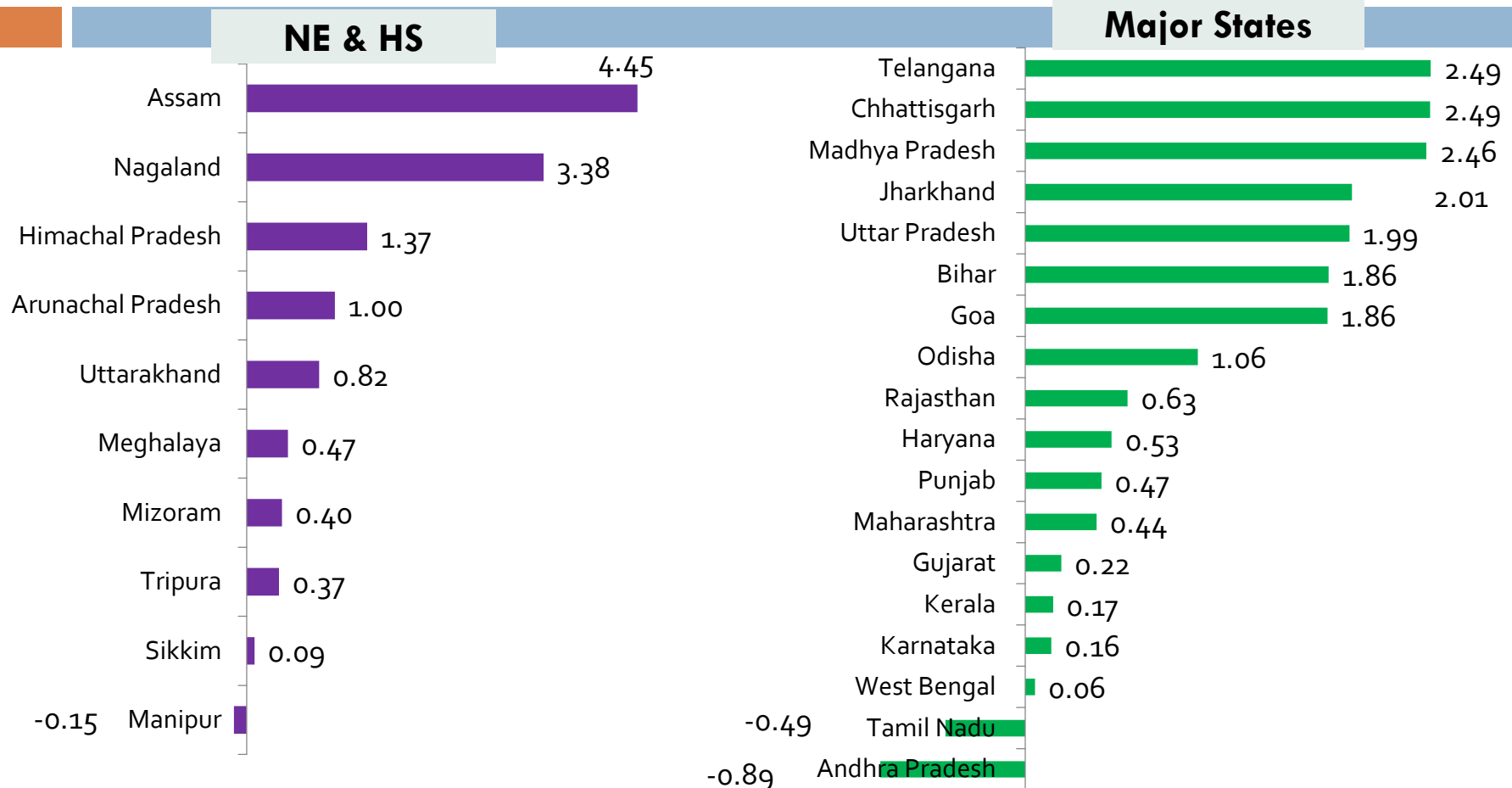


Social Sector Expenditure across States (Rs. Crore)



In FY 2015-16, SSE has increased in absolute terms across all States over FY 2014-15.

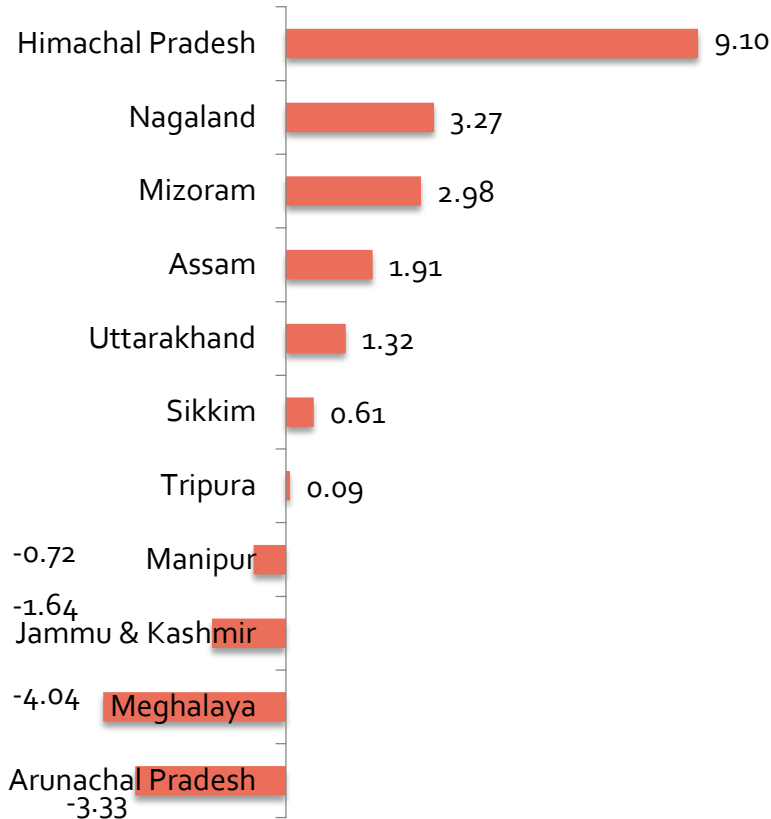
Change in Social Sector Expenditure across States in proportion to GSDP (%)



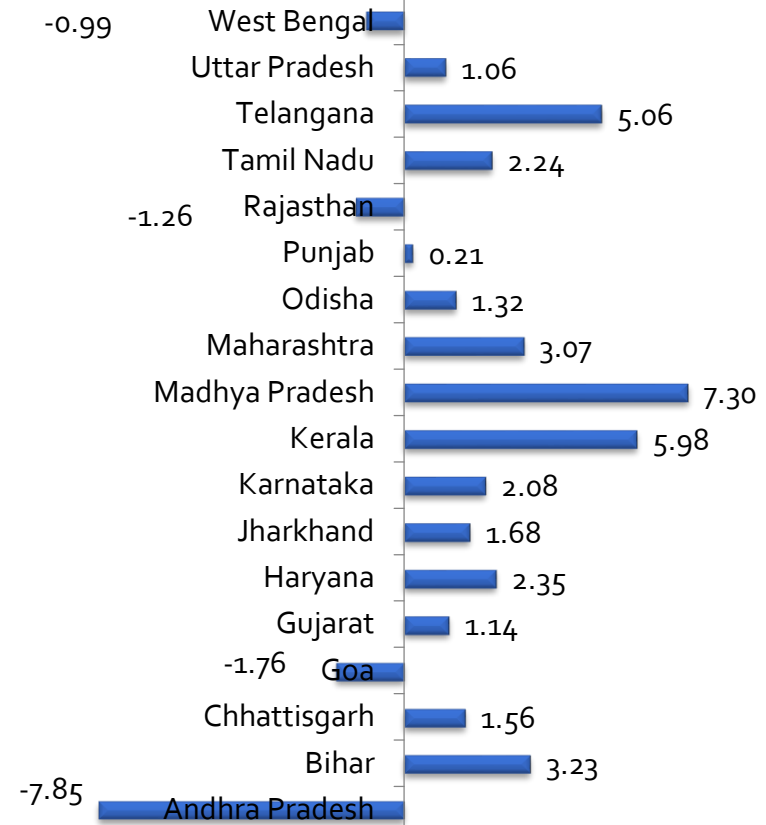
SSE is increasing at a greater pace than GSDP for all States, except 3 (Manipur, Andhra Pr, TN).

Change in Social Sector Expenditure across States in proportion to its Total Expenditure (%)

NE & HS



Major States



For as many as 21 States, rate of increase in social sector expenditure is higher than the rate of increase in total expenditure.

Health & Education

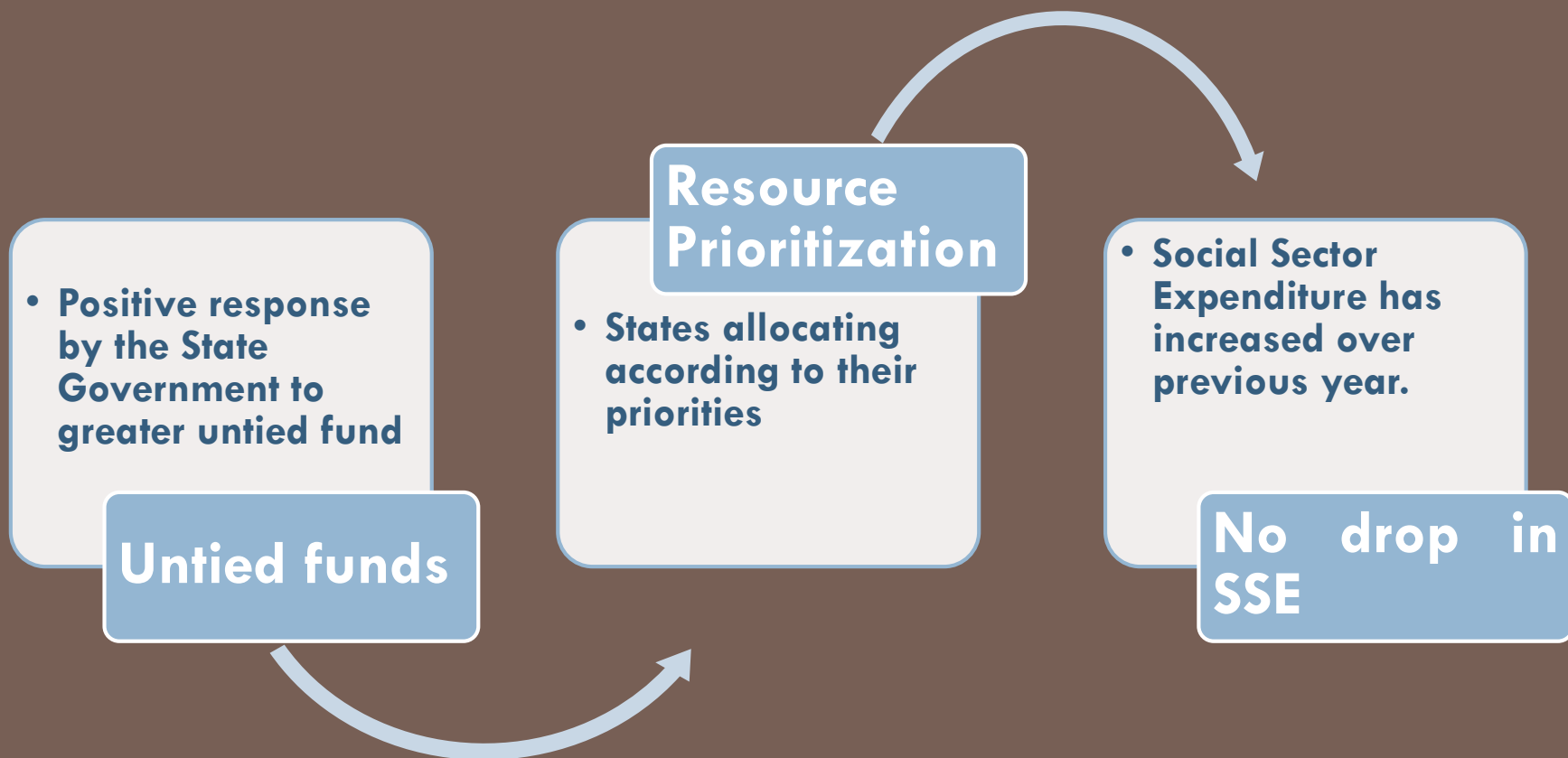
All states, except Manipur in health & Andhra Pradesh for both education & health, have registered increase in absolute expenditure on education & health.

Change in Expenditure as % of GSDP

Sector	NE & Himalayan States	Major States
Health	0.40%	0.07%
Education	1%	0.14%

There has been an increase in average expenditure as % of GSDP in both Sectors

Conclusion



Way Forward

Tied Funds

Accountability for performance

Introduce performance incentive as criteria for fund allocation through CSS

Data

- 2014-15 Actuals
- 2015-16 RE (SSE)/ Actual (*Total transfer*)

- Source:
 - ❖ State Budget documents, Indian Public Finance Statistics, Union Budget, PFMS & information provided by States to NITI

 - ❖ GSDP: CSO & estimation of Ministry of Finance

Thank You