

## **CHAPTER 4**

### **RECENT TREND AND PATTERN OF PUBLIC EXPENDITURE ON EDUCATION IN ODISHA**

## 4.1 Introduction

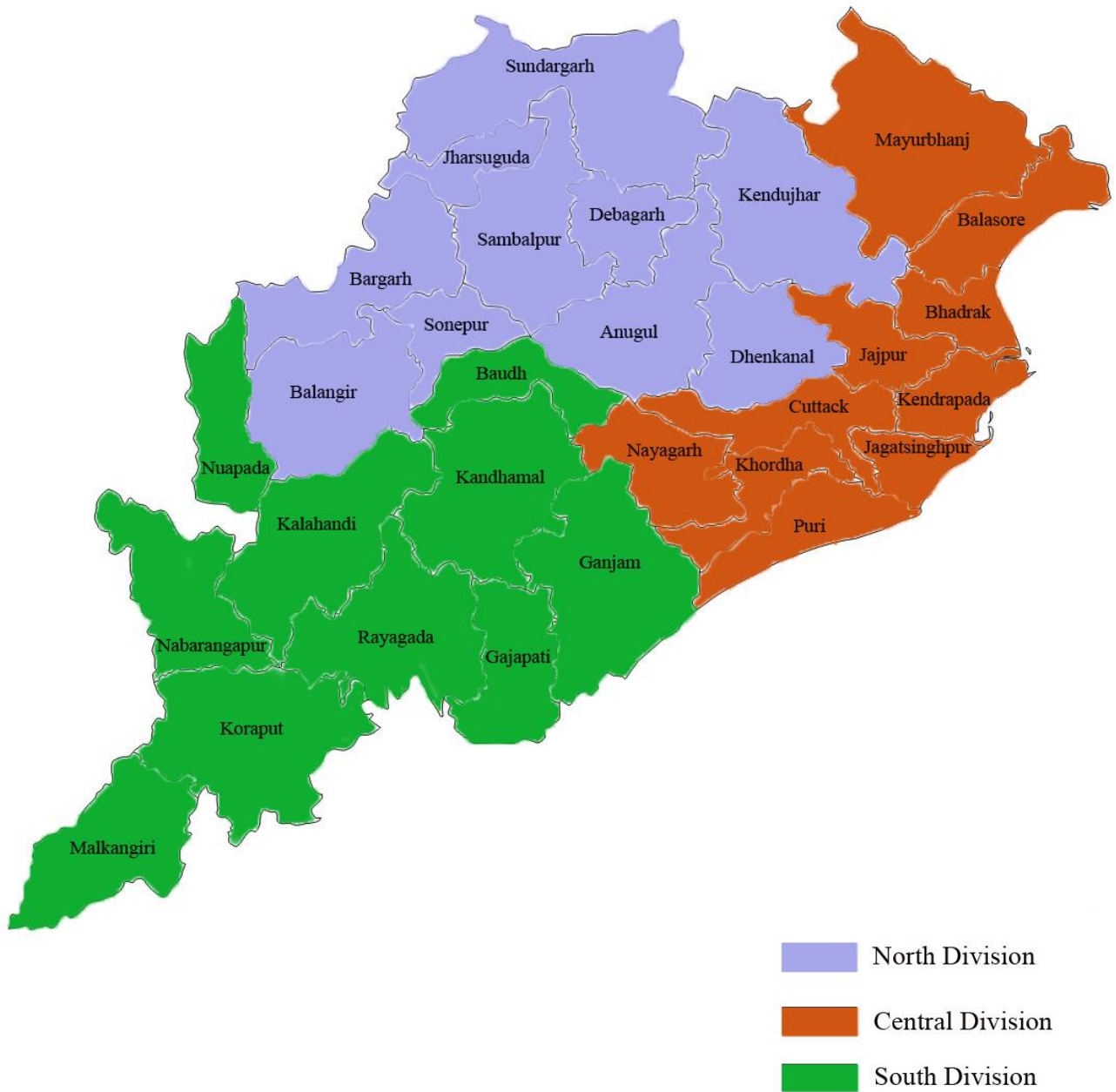
Odisha, a state on the eastern coast of India, is divided into 30 administrative geographical units called districts. A district of an Indian state is an administrative geographical unit, headed by a District Collector (DC) or Deputy Commissioner in some states (DC).

There are 30 districts in Odisha— Angul, Balangir, Balasore, Bargarh, Bhadrak, Boudh, Cuttack, Debagarh, Dhenkanal, Gajapati, Ganjam, Jagatsinghpur, Jajpur, Jharsuguda, Kandhamal, Kalahandi, Kendrapara, Keonjhar, Khordha, Koraput, Malkangiri, Mayurbhanj, Nabarangpur, Nayagarh, Nuapada, Puri, Rayagada, Sambalpur, Subarnapur, Sundargarh.

These 30 districts have been placed under three different divisions for smoothening the governance. The divisions are North, South and Central with their headquarters at Sambalpur, Berhampur and Cuttack respectively. Each division consists of 10 districts. Its administrative head is the Revenue Divisional Commissioner (RDC) and the Police Head is Inspector General of Police (IGP).

<b>Table No. 4.1</b> Division Wise List of Districts		
<b>North Division</b>	<b>Central Division</b>	<b>South Division</b>
Anugul	Balasore	Baudh
Balangir	Bhadrak	Gajapati
Bargarh	Cuttack	Ganjam
Debagarh	Jagatsinghapur	Kalahandi
Dhenkanal	Jajapur	Kandhamal
Jharsuguda	Kendrapara	Koraput
Kendujhar	Khordha	Malkangiri
Sambalpur	Mayurbhanj	Nabarangapur
Sonepur	Nayagarh	Nuapada
Sundargarh	Puri	Rayagada

**Figure No. 4.1** Map of Odisha with RDC Divisions



In this chapter, the trend of educational expenditure has been analysed using district level data on expenditure and Gross District Domestic Product for a period of 14 years i.e., from 2002-03 to 2015-16. In order to have a comparative and representative analysis of all 30 districts, total expenditure for education and Combined Gross District Domestic Product has been taken for three divisions; North, Central and South respectively.

The study uses tabulation, graphical representation and calculation of growth rate to analyse the trend for each division and the study also compares the expenditure level and income of each division with other, which alternatively provides information about the districts in each division.

#### 4.1.1 North Division

<b>Table No. 4.2</b> Educational Expenditure and GDDP In North Division (In Lakhs)				
Year	Exp	GR(Exp)	Comb. GDDP	GR(Comb.GDDP)
2002-03	618.19		1532058	
2003-04	4838.63	682.70	1819129	18.73
2004-05	8785.27	81.56	2895925	59.19
2005-06	11962.95	36.17	3063931	5.80
2006-07	19822.34	65.69	3512682	14.64
2007-08	24062.53	21.39	3978539	13.26
2008-09	23670.48	-1.62	4325243	8.71
2009-10	30467.36	28.71	4418238	2.15
2010-11	23963.81	-21.34	4697308	6.31
2011-12	28331.77	18.22	4841300	3.06
2012-13	30958.59	9.27	5442704	12.42
2013-14	41073.18	32.67	5702741	4.77
2014-15	34288.32	-16.51	5968493	4.66
2015-16	42783.16	24.77	6272885	5.09
Source: Directorate of economics and statistics & OPEPA, Bhubaneswar, Odisha.				

**Figure No. 4.2 North Division Growth Rates**

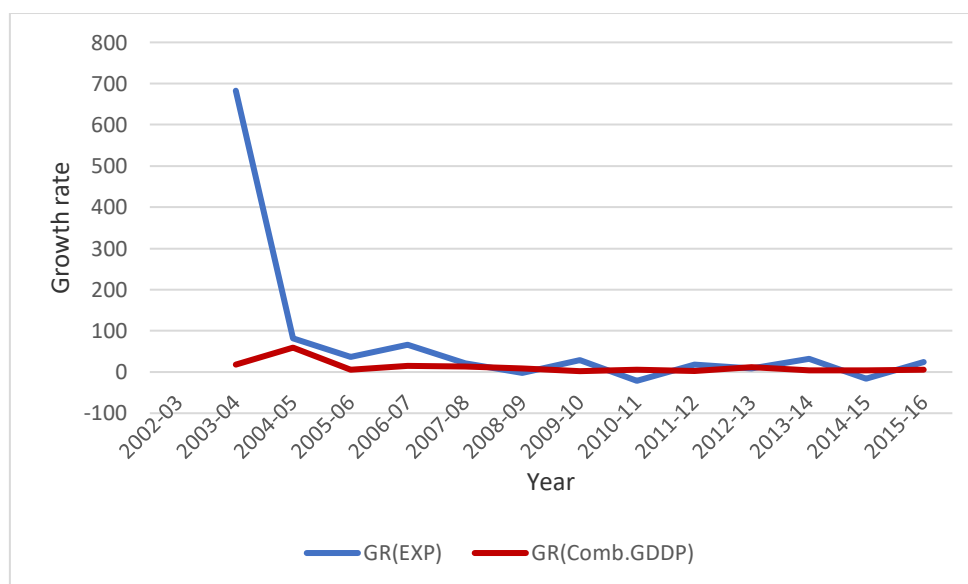


Table No. 4.2 and Figure No. 4.2 depicts the total combined expenditure on education and the combined Gross District Domestic Product with their growth rates for North division of Odisha which comprises of 10 districts viz; Anugul, Balangir, Bargarh, Debagarh, Dhenkanal, Jharsuguda, Kendujhar, Sambalpur, Sonapur, Sundargarh respectively.

The growth rate of expenditure on education was experienced at the peak for the year 2003-04 and then maintained a positive growth rate except for the years 2008-09, 2010-11, 2014-15 which experience negative growth rates. While at the same time the combined district domestic product for north division shows a positive trend all over the period.

The combined expenditure for the year 2002-03 was Rs.618.19 lakhs which has been increased to 42783.16 in 2015-16.

#### 4.1.2 Central Division

Year	Exp	GR(EXP)	Comb. GDDP	GR(Comb.GDDP)
2002-03	1385.4		1856079	

2003-04	5958.41	330.08	2101832	13.24
2004-05	9494.46	59.34	3086174	46.83
2005-06	14719.18	55.02	3251431	5.35
2006-07	23779.84	61.55	3634138	11.77
2007-08	27914.11	17.38	3992614	9.86
2008-09	29906.22	7.13	4291441	7.48
2009-10	38892.7	30.04	4502571	4.91
2010-11	29528.01	-24.07	4941034	9.73
2011-12	41965.44	42.12	5252184	6.29
2012-13	57185.55	36.26	5542303	5.52
2013-14	69352.2	21.27	5843293	5.43
2014-15	42097.11	-39.29	6153026	5.3
2015-16	50116.03	19.04	6477788	5.27

Source: Directorate of economics and statistics & OPEPA, Bhubaneswar, Odisha.

**Figure No. 4.3** Central Division Growth Rates

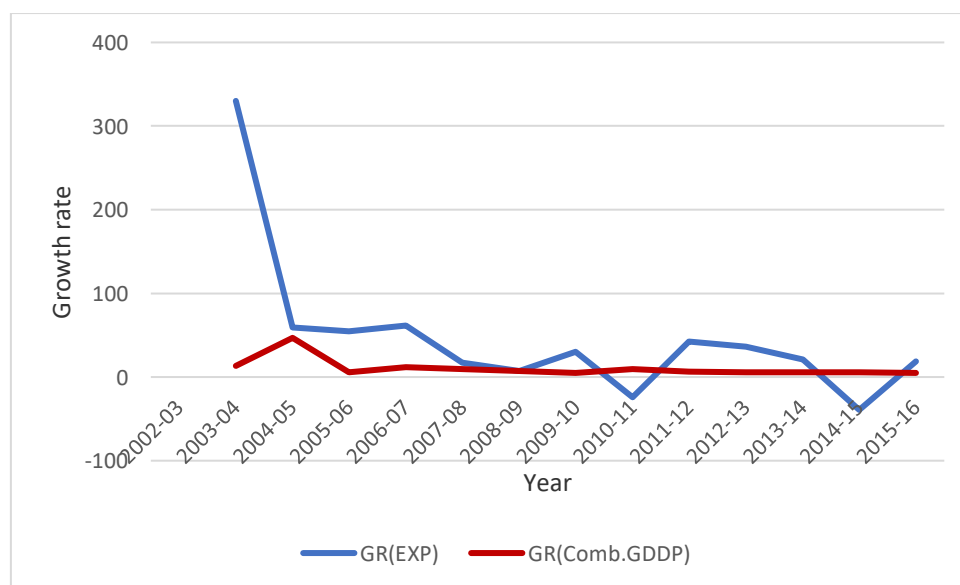


Table No. 4.3 and Figure No. 4.3 depicts the total combined expenditure on education and the combined Gross District Domestic Product with their growth rates for Central division of Odisha which comprises of 10 districts viz; Balasore, Bhadrak, Cuttack, Jagatsinghapur, Jajapur, Kendrapara, Khordha, Mayurbhanj, Nayagarh, Puri respectively.

The growth rate of expenditure on education was experienced at the peak for the year 2003-04 and then maintained a positive growth rate except for the years 2010-11, 2014-15 which experience negative growth rates. While at the same time the combined district domestic product for central division shows a positive trend all over the period.

The combined expenditure for the year 2002-03 was Rs.1385.4 lakhs which has been increased to Rs. 50116.03 in 2015-16. Which is more than the north division.

#### 4.1.3 South Division

<b>Table No. 4.4 Educational Expenditure and GDDP In South Division (In Lakhs)</b>				
Year	Exp	GR(EXP)	Comb. GDDP	GR(Comb.GDDP)
2002-03	522.57		1075960	
2003-04	4962.93	849.71	1219381	13.32
2004-05	8651.73	74.32	1790845	46.86
2005-06	11029.28	27.48	1899110	6.04
2006-07	21682.57	96.59	2123263	11.80
2007-08	26571.87	22.54	2313409	8.95
2008-09	27621.28	3.94	2464494	6.53
2009-10	39035.1	41.32	2664307	8.10
2010-11	39886.21	2.18	2874765	7.89
2011-12	35588.77	-10.77	2917816	1.49

2012-13	35517.21	-0.20	3234400	10.85
2013-14	58288.8	64.11	3360609	3.90
2014-15	43994.82	-24.52	3602333	7.19
2015-16	61189.69	39.08	3794856	5.34
Source: Directorate of economics and statistics & OPEPA, Bhubaneswar, Odisha.				

**Figure No. 4.4** South Division Growth Rate

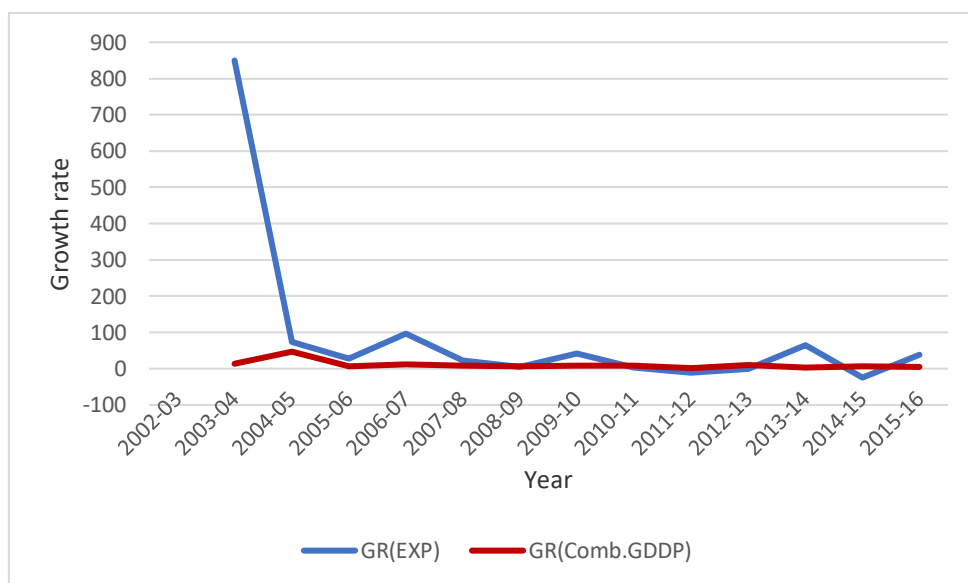


Table No. 4.4 and Figure No. 4.4 depicts the total combined expenditure on education and the combined Gross District Domestic Product with their growth rates for South division of Odisha which comprises of 10 districts viz; Baudh, Gajapati, Ganjam, Kalahandi, Kandhamal, Koraput, Malkangiri, Nabarangapur, Nuapada, Rayagada respectively.

The growth rate of expenditure on education was experienced at the peak for the year 2003-04 and then maintained a positive growth rate except for the years 2011-12, 2012-13, 2014-15 which experience negative growth rates. While at the same time the combined district domestic product for central division shows a positive trend all over the period.



The combined expenditure for the year 2002-03 was Rs. 522.57 lakhs which was less than other two divisions but it has been increased to Rs. 61189.69 in 2015-16. Which is more than the other divisions.

The growth rate was high for all the three divisions in 2003-04, because of the initial investment through SSA.

#### 4.2 Combined Expenditure and Gross District Domestic Product of All Three Divisions

<b>Table No. 4.5 Educational Expenditure of All Divisions (In Lakhs)</b>			
<b>Year</b>	<b>North div Exp</b>	<b>Central div Exp</b>	<b>South div Exp</b>
2002-03	618.19	1385.4	522.57
2003-04	4838.63	5958.41	4962.93
2004-05	8785.27	9494.46	8651.73
2005-06	11962.95	14719.18	11029.28
2006-07	19822.34	23779.84	21682.57
2007-08	24062.53	27914.11	26571.87
2008-09	23670.48	29906.22	27621.28
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2010-11	23963.81	29528.01	39886.21
2011-12	28331.77	41965.44	35588.77
2012-13	30958.59	57185.55	35517.21
2013-14	41073.18	69352.2	58288.8
2014-15	34288.32	42097.11	43994.82
2015-16	42783.16	50116.03	61189.69
Source: Directorate of economics and statistics & OPEPA, Bhubaneswar, Odisha.			

**Figure No. 4.5** Combined Educational Expenditure of all Divisions

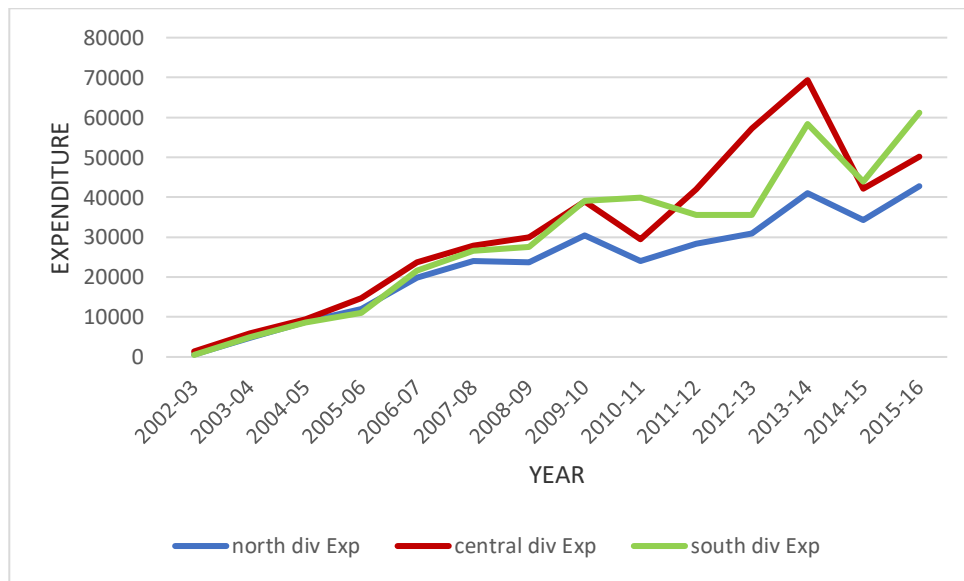


Table No. 4.5 and Figure No. 4.5 depicts the total combined educational expenditure for all the three divisions namely North, Central, and South Division respectively from 2002-03 to 2015-16. The line for all the three divisions show that the total expenditure for all divisions are increasing steadily. Starting from 2002-03 the highest expenditure was incurred on central division i.e. Rs. 1385.4 lakhs followed by north division; Rs. 618.19 lakhs and south division; Rs. 522.57 lakhs. In 2015-16 the expenditure for the south division was increased and is the highest among all the division i.e. Rs. 61189.69 lakhs against the central and north division i.e. Rs. 50116.03 and 42783.16 lakhs respectively because of the composition of south division i.e. most of the districts in south division belongs to backward and poor region mainly comprises of tribal and rural area. So the attention for the educational development have been drawn to these areas by sanctioning more funds which will help in educational and economic upliftment of these areas as it is proved that there exist a long-run relation between educational expenditure and economic growth.

**Table No. 4.6** Combined GDDP of all Divisions (In Lakhs)

Year	North division	Central division	South division
2002-03	1532058	1856079	1075960
2003-04	1819129	2101832	1219381
2004-05	2895925	3086174	1790845
2005-06	3063931	3251431	1899110
2006-07	3512682	3634138	2123263
2007-08	3978539	3992614	2313409
2008-09	4325243	4291441	2464494
2009-10	4418238	4502571	2664307
2010-11	4697308	4941034	2874765
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2012-13	5442704	5542303	3234400
2013-14	5702741	5843293	3360609
2014-15	5968493	6153026	3602333
2015-16	6272885	6477788	3794856

Source: Directorate of economics and statistics & OPEPA, Bhubaneswar, Odisha.

**Figure No. 4.6** Combined GDDP of all Divisions

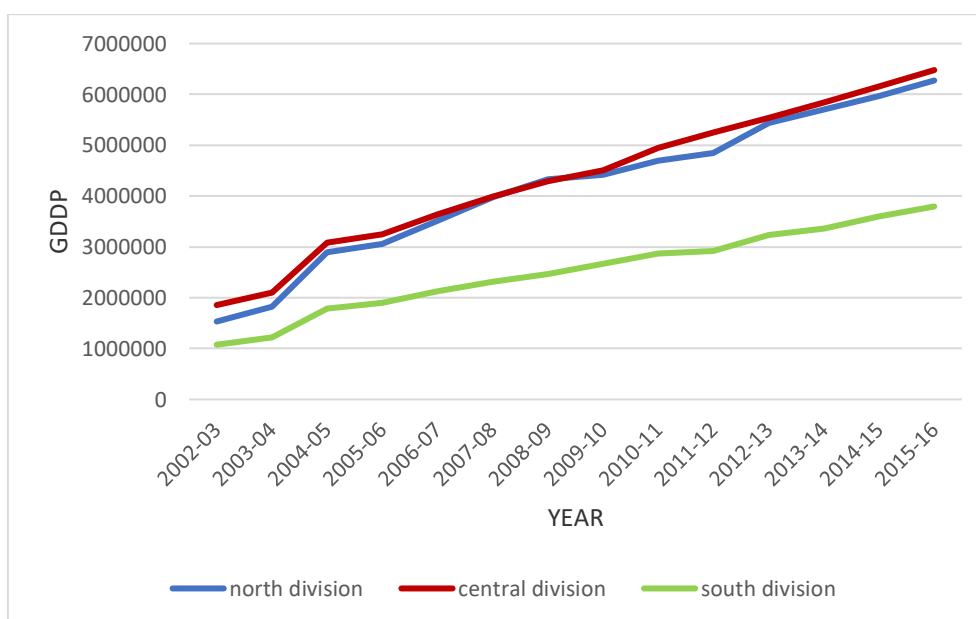


Table No. 4.6 and Figure No. 4.6 depicts the combined GDDP for all the three divisions namely North, Central, and South Division respectively from 2002-03 to 2015-16. The line for all the three divisions show that the combined GDDP for all divisions are increasing steadily. Starting from 2002-03 the highest income was recorded for on central division i.e. Rs. 1856079 lakhs followed by north division; Rs. 1532058 lakhs and south division; Rs. 1075960 lakhs. In 2015-16 the income for the south division remains low at Rs. 3794856 lakhs as compared to the other division because of its backwardness and poverty concentrated districts. While the central and north division competed with each other at a good growing trend from 2001-02 onwards i.e. North division recorded Rs. 6272885 lakhs and for central it was Rs. 6477788 lakhs respectively. The economic growth according to the GDDP values are for North and Central division are good and far ahead than the South division in which economy is growing but not as faster as other divisions.

### 4.3 Division wise Literacy rate

<b>Table No. 4.7 District Wise Literacy Rate of North Division (In Percentage)</b>			
<b>Districts</b>	<b>2001 census</b>	<b>2011 census</b>	<b>Change</b>
Anugul	68.79	77.53	8.74
Balangir	55.71	64.72	9.01
Bargarh	63.99	74.62	10.63
Debagarh	60.36	72.57	12.21
Dhenkanal	60.42	78.76	18.34
Jharsuguda	70.65	78.86	8.21
Kendujhar	59.24	68.24	9
Sambalpur	67.25	76.22	8.97
Sonepur	62.84	74.42	11.58
Sundargarh	64.86	73.34	8.48

Source: Directorate of economics and statistics Bhubaneswar, Odisha.

**Figure No. 4.7 Literacy Rate of North Division**

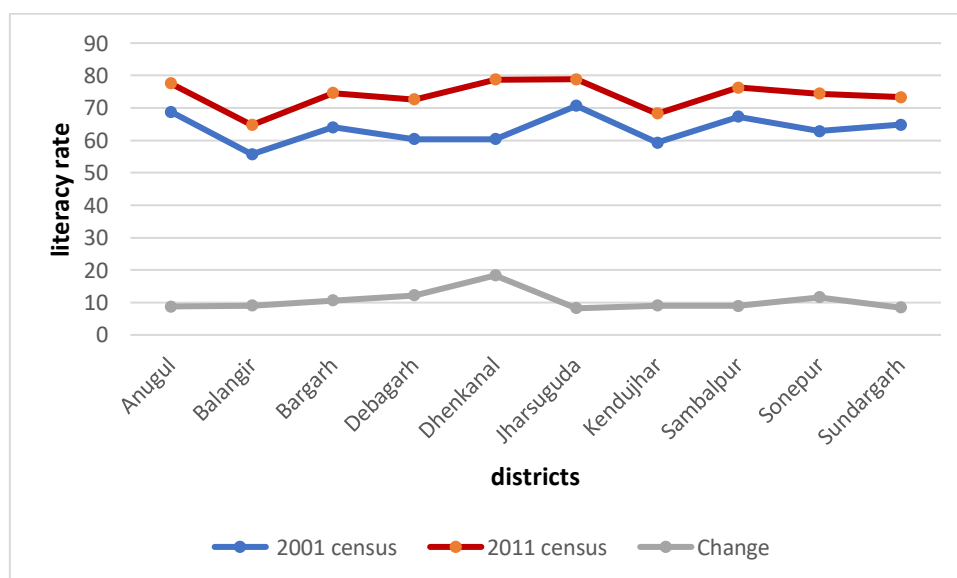


Table No. 4.7 and Figure No. 4.7 depicts the Literacy rate of all districts coming under north division both at 2001 and 2011 census and the recorded change. The highest literacy rate in 2011 was in Jharsuguda district (78.86%) followed by Dhenkanal(78.76%), Anugul(77.53%) and the lowest was in Balangir (64.72) followed by kendujhar(68.24%). Approximately on an average literacy rate increased around 10% for all 10 districts while dhenkanal recorded a highest change of 18.34% from 2001 to 2011.

**Table No. 4.8** District Wise Literacy Rate of Central Division (In Percentage)

<b>Districts</b>	<b>2001 census</b>	<b>2011 census</b>	<b>Change</b>
Balasore	70.56	79.79	9.23
Bhadrak	73.86	82.78	8.92
Cuttack	76.66	85.5	8.84
Jagatsinghapur	79.08	86.59	7.51
Jajapur	71.44	80.13	8.69
Kendrapara	74.14	85.15	11.01
Khordha	79.59	86.88	7.29
Mayurbhanj	47.37	63.17	15.8
Nayagarh	70.52	80.42	9.9
Puri	77.96	84.67	6.71

Source: Directorate of economics and statistics Bhubaneswar, Odisha.

**Figure No. 4.8** Literacy Rate of Central Division

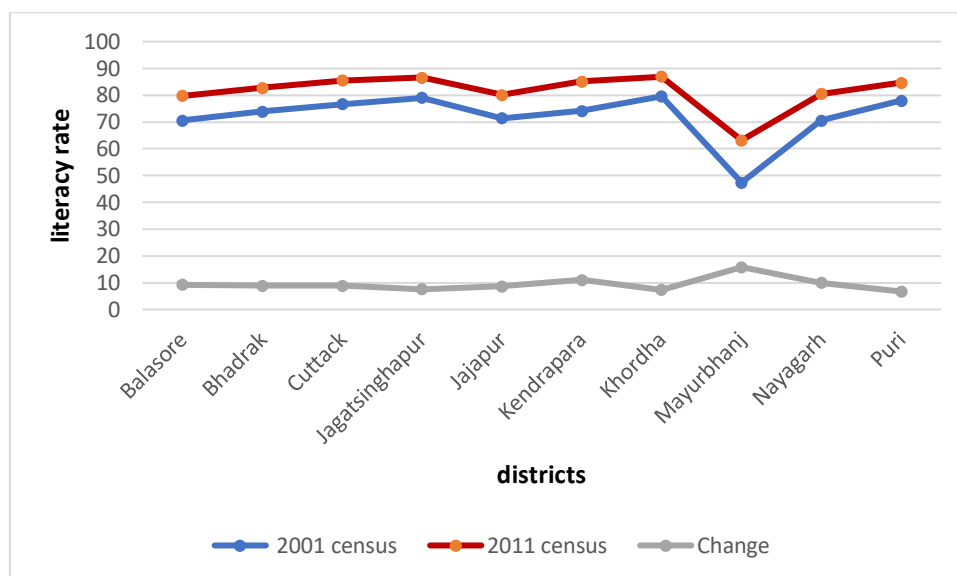


Table No. 4.8 and Figure No. 4.8 shows the Literacy rate of all districts coming under Central division both at 2001 and 2011 census and the recorded change. The highest literacy rate in 2011 was in Khordha district (86.88%) followed by Jagatsinghpur(86.59%), Cuttack(85.5%) and the lowest was in Mayurbhanj (64.72). Approximately on an average literacy rate increased around 10% for all 10 districts while Mayurbhanj recorded a highest change of 15.8% from 2001 to 2011. But after significance change in literacy rate of Mayurbhanj, it is one among all the 10 districts in central division having lowest literacy rate, highest tribal and rural population.

Districts	2001 census	2011 census	Change
Baudh	57.73	71.61	13.88
Gajapati	41.26	53.49	12.23
Ganjam	60.77	71.09	10.32
Kalahandi	45.94	59.22	13.28

Kandhamal	52.48	64.13	11.65
Koraput	35.72	49.21	13.49
Malkangiri	30.53	48.54	18.01
Nabarangapur	43.93	46.43	2.5
Nuapada	42	57.35	15.35
Rayagada	36.15	49.76	13.61

Source: Directorate of economics and statistics Bhubaneswar, Odisha.

**Figure No. 4.9** Literacy Rate of South Division

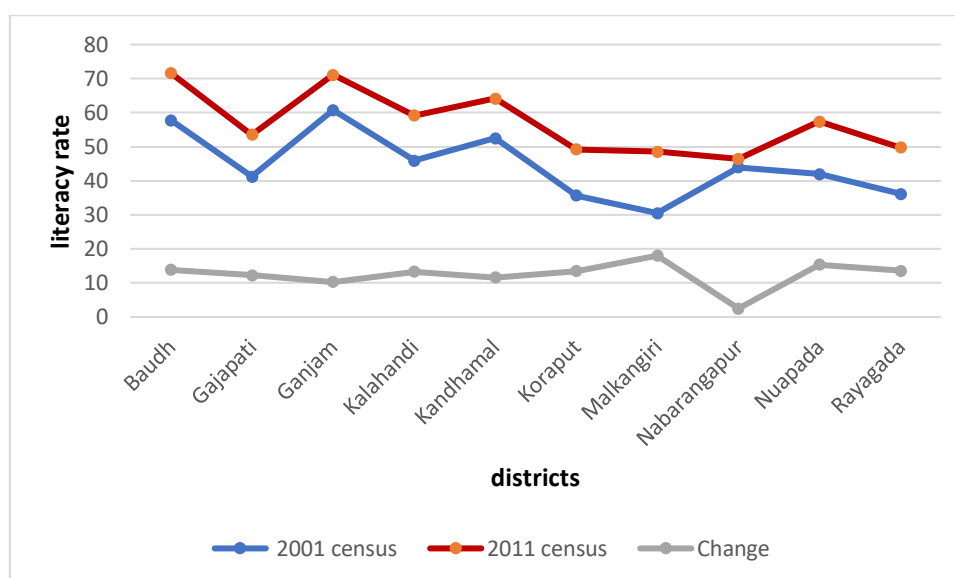


Table No. 4.9 and Figure No. 4.9 depicts the Literacy rate of all districts coming under South division both at 2001 and 2011 census and the recorded change. The highest literacy rate in 2011 was in Baudh (71.61%) followed by Ganjam (71.09%) and the lowest was in Nabarangapur (46.43%) followed by Malkangiri(48.54%) and Koraput (49.21%). Approximately the growth of literacy rate increased for all 10 districts and are more than the North and South division. Malkangiri recorded a highest change of 18.01% from 2001 to 2011 and Nabrangpur recorded the lowest i.e. 2.5%.



#### **4.4 Conclusion**

In spite of such contradistinctive composition of all three divisions in which 30 districts of Odisha has been divided based on geographical location i.e. North, Central and South, the data shows significant public financing on education.

The central division is comprised of mostly developed districts while North and South division are comprising of moderately developed and backward districts respectively. The South division separately identified because of its known backward region, tribal population and low economic growth as shown in the Figure 4.5. And this backwardness drew the attention of government which has been shown in Figure 4.4 i.e. the public expenditure for districts in south division has been increased which is more than the other two divisions. Some districts of north division and Mayurbhanj district of Central division also need special attention in order to make a move out from backwardness and illiteracy.

Only expending more will not rise the education level and economy growth, all that government need to do is to introduce necessary schemes, proper allocation fund, efficient management etc by which these deprived areas can overcome from illiteracy which is the main cause of all economic and social illness.