



A Study on Growth of Higher Education Expenditure in India at Present

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1.1 INTRODUCTION

Public expenditure is the expenditure incurred by the public authority and central, state and local government, either for the satisfaction of collective needs of the citizen or for promoting their economic and social welfare. The volume of public expenditure is increasing in almost all countries of the world. Many specialized people in the field of higher education see that it is necessary to have a level of participation between the higher education institutions and the job markets, because the concept of participation means to exchange experiences between the two sectors, that is higher education provides educational and leading experience, while the job market provides its factories to train technicians. This means that providing the society the job market with educated human resources who are still inside the universities, who are at the same time well-trained technically through trainings in factories. Relates to this issues present study attempt to analyze the study on growth of higher education expenditure in India. This study based on objectives.

1.2 SOURCES OF DATA

The required data were collected from sources like Indian economic survey women and men in India, man power profile - India year book, Educational statistics at a glance, selected educational statistics, UGC - Annual Reports and studies in Educational statistics.

1.3 PERIOD OF THE STUDY

The data regarding total social expenditure, Higher Educational expenditure, were collected for 32 years, i.e. from 1990-1995 to 2020-2022. The total period was divided into two sub-periods, viz., and from 1990-1995 to 2005-2010 and from 2010-2015 to at present in order to make a comparative analysis between pre and post liberalization periods.

1.4 TOOLS FOR ANALYSIS

In order to arrive at the inferences statistical tools such as the percentage / ratio analysis, chow test, growth analysis, test for difference between means.

1.5 RESULTS AND DISCUSSION

Expenditure on social sector and education

The size and composition and growth of social sector and education expenditures are discussed in the section.

TABLE.1 EXPENDITURE ON SOCIAL SECTORS AND HIGHER EDUCATION (Rs. in crore)

YEAR	SOCIAL SECTOR EXPENDITURE	EDUCATIONAL EXPENDITURE	HIGHER EDUCATIONAL EXPENDITURE	TOTAL EXPENDITURE
1990-1995	40.2%	26.5%	33.3%	100%
1995-2000	40.6%	26.32%	33.07%	100%
2000-2005	40.3%	26.19%	33.46%	100%
2005-2010	39.43%	27.08%	33.47%	100%
2010-2015	38.9%	28.24%	32.84%	100%
2015-2020	38.20%	28.76%	33.02%	100%
2020-2022	38.07%	29.14%	32.77%	100%

Source: Indian economic survey,GOI,India;Selected Education Statistics in India,MHRD,GOI,India;Men and Women,GOI,India.

Social sector expenditure

Social expenditures are a measure of the extent to which countries assume responsibility for supporting the standard of living of disadvantaged or vulnerable groups. The mean of social expenditure of central and state government was 40.2 percent crore for the pre reform period - (1990 - 1995) and 38.07 percent crore for post reform period - (2020 - 2022).The coefficient of variation value was 88.59 showing that the social expenditure of the government in pre-reform was significantly larger and relatively more stable. The inference derived is that new economic policy has served that the cause of improving the social needs of the people with necessary spending on social services.

Educational expenditure

Education expenditure covers expenditure on schools, universities and other public and private institutions delivering or supporting educational services. In the social expenditure education is the major component. Expenditure on education improves the knowledge and skill of the people. An attempt was made to analyze a size, composition and growth of educational expenditure of central and state governments. The mean value of education, expenditure as compared -2 (new economic reform policy) was high. So that both government has spent more money in period -(2020 - 2022) on education. The coefficient of variation value was 13.93 showing less for the period - (1990 - 1995). It shows that central and state governments spending was more stable in all the periods respectively. It shows that the growth of educational expenditure was less in period - (2020 - 2022) than in period - (1990 - 1995), even though the amount of money spending on education increase in period - (2020 - 2022).

Higher educational expenditure

The mean value of higher educational expenditure was 33.3 percent and 32.77 percent crore for period - (1990 - 1995) and period - (2020 - 2022) respectively. To difference between period (1990 - 1995) and period - (2020 - 2022) was significant at 14.36 percent level. The government spent more money in period - (2020 - 2022) (new economic reform policy) in order to increase the enrolment in higher education. It shows that the central and state governments spent more money in the new economic reform policy period to encourage and establish new higher educational institutions and enrolment in high education. But the growth rate was comparatively lower in period - (2020 - 2022) than in period (1990 - 1995) .

TABLE.2 CHOW TEST FOR SOCIAL AND HIGHER EDUCATION EXPENDITURE

Details	S5 value	S4 value	F value
Total Expenditure	43524893408	10375567498	46.12
Social Expenditure	1228256654	801743346	16.85
Educational Expenditure	326210280	317686465	11.29
Higher Educational Expenditure	13832460	30470803	4.99

Chow test was used to test the structured changes or structural instability in total, social, educational and higher education expenditure of the governments between pre and post reform periods. As show in Table.2, The estimated 'F' values of total, social and educational expenditure was statistically significant at I percent level .For Higher Educational Expenditure it was significant at 5percent level. It shows the structural instability between the periods - (1990 - 1995) and period - (2020 - 2022).

Total expenditure

The sum of the price paid for one or more products or services multiplied by the amount of each item purchased. As seen in the Table.1, The mean of total expenditure of the central and state was 100 percent crore for pre form period - (1990 - 1995) and 100 percent crore for post reform period - (2020 - 2022) respectively. The difference of the mean value was significant at period - (1990 - 1995) and period - (2020 - 2022) was 23.11 percent increased. Thus the total expenditure of central and state governments showed an uptrend and mean for the period - (2020 - 2022) as compared to period - (1990 - 1995).

1.6 CONCLUSION

This study analyzes the growth and trend of the expenditure of union and state government that added up the social expenditure the major components being educated. This expenditure was analyzed for its impact on infrastructural development and attainment of higher education. The budget for the higher education department was Rs.38350.65 crore and it further dropped to Rs.36031.57 in the revised estimates. School education outlay for 2022 - 2023 is at Rs.63449.37 crore, nearly Rs.9000 crore more than. The comparative study of pre and post reform period shows that the new economic reform policy had a less positive impact on social expenditure and more positive impact on infrastructural development and attainment of higher education. The result of the study shows that the Educational expenditure is increasing.

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