

Financial investments in education: Orissa

The budgetary allocation on education in Orissa has increased from 1496.83 crores in 2000-01 to 1725.03 crores in 2004-05, i.e the rate of increase is 15.2%. The real increase is in nominal terms. Although the percentage of total state's expenditure on education has shown an increase from 9.23 % in 2000-01 to 9.97 % in 2005-06, it has been fluctuating with distinct margin during financial period of 2001-05. Orissa spends about 3.42 % of its Gross State Domestic Product (GSDP) on education. However, the progress in the percentage of expenditure on education to GSDP is fluctuating between 3.90% 2000-01 to 3.25% in 2003-04 and 3.42% in 2004-05. It is quite unfortunate to note that the government of Orissa, despite the allocation of central share to SSA and DPEP for universalization of elementary education, has failed to avail the central share due to inability to find the matching share of its own. The state has lost the central share of 697.11 crores during 2001-05 which constitutes a major share of 57.34 percent.

Total Public Expenditure	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
Entire State Expenditure	16207.14	18585.32	20783.77	23026.29	20787.99
Expenditure of School and Mass Education Department	1496.83	1383.19	1581.83	1577.32	1725.03
Percentage of State's Expenditure	9.23	7.44	7.61	6.85	8.3
Entire State's Plans Expenditure	2916.6	2776.78	2789.19	3954.52	2900.98
Plan Expenditure of S & ME Deptt.	445.03	343.56	120.52	94.96	185.03
Percentage of State's Plan Expenditure	15.28	12.37	4.32	2.4	6.37
Gross State Domestic Product	3.90%	3.40%	3.74%	3.25%	3.42%

Source: Orissa budget at a glance 2005-06