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Expenditure Preferences and Inter-State Variations in Per Capita Expenditure on Social Services in India

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***Abstract*—Economic growth and enhancing the quality of life of the people are the twin goals of every nation. The connection between Human Resources and Economic Development highlights the importance of investing in people as a strategic way to promote long-term economic success. The main aim of social sector spending by the States is to improve the standard of living of the people and to achieve maximum social welfare. Public resources allocated towards social services make the workforce more productive, healthy, and efficient, which, taken together, lead to higher economic growth. The present study aims to understand the growth trend in public expenditure on social services across 15 major Indian States, analyze interstate variation in social service expenditure, and examine states' expenditure preferences.**

***Key Words*— Expenditure Preference, Inter-state variations, Public Expenditure, Social services.**

I. INTRODUCTION

Social services can be defined as a range of public services aimed at meeting the social needs of individuals and communities. These services seek to address societal inequalities by supporting disadvantaged groups and promoting community resilience and harmony, thereby advancing social justice and welfare. Social services help individuals and communities in fulfilling their basic needs and improving their quality of life. Social and Community Services, or Social Sectors, include areas where government interventions are expected to directly influence human development, such as education, health and family welfare, water supply and sanitation, social security and welfare, and nutrition.

Education, as a key component of the social sector, plays a pivotal role in empowering individuals and enriching the workforce, helping a nation achieve higher levels of prosperity and sustainable growth. Healthcare expenditure is also essential as it can lead to better health outcomes and boost economic growth. Furthermore, social protection programs contribute to social stability and economic resilience. Adequate investment in these areas can improve the quality of basic services and create entitlements for people, especially benefiting the poor.

Economic development is nearly impossible without sufficient budget allocations to various social sector overheads, which provide the essential facilities, such as education, health, family welfare, housing, roads and buildings, nutrition, etc. Therefore, public expenditure on social services is vital for achieving long-term inclusive and sustainable development.

Public expenditure on social services is key to fostering economic and social welfare. In India, the provision of social services mainly falls under the responsibility of state governments, although they receive substantial financial support from the central government. The main aims of social sector expenditure of the States are to improve the standard of living of the people and to achieve maximum social welfare.

II. OBJECTIVES

The main objective of the study is

i) to understand the growth trend of public expenditure on social services in 15 major Indian states.
ii) to analyze the interstate variations among the states in social services expenditure.
iii) to examine the share of components of social services expenditure in the total social services and in the Per Capita State Net Domestic Product

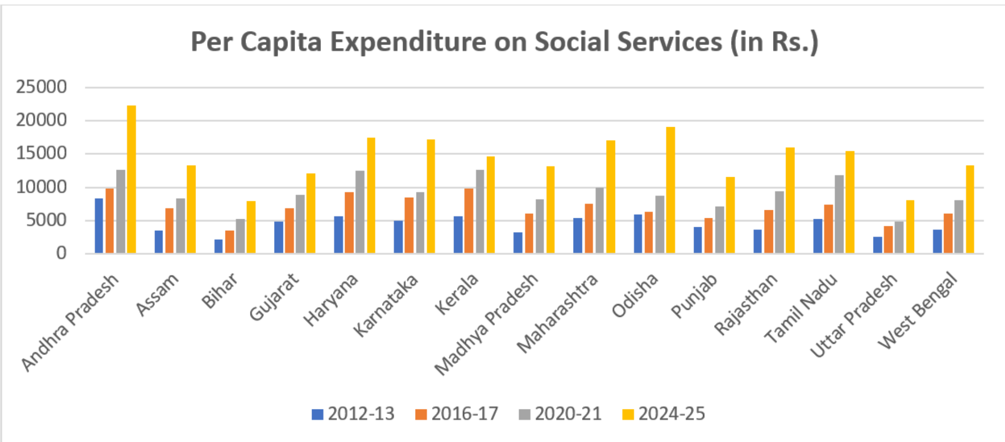
III. METHODOLOGY

Secondary data form the basis of this study. The data were mainly obtained from the Reserve Bank of India (RBI) database, Budget Documents of the State Governments, Economic Survey, and India Development Report. Simple percentages were calculated to determine the share of various social service expenditures in per capita net state domestic product. To analyse the interstate disparities, the all-states average, standard deviation, and coefficient of variation were computed.

Table 1: Per Capita Expenditure on Social Services (in Rs.)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	8331.78	9777.48	12568.1	22325.9	7.88
2	Assam	3575.85	6835.85	8369.11	13348.4	10.66
3	Bihar	2177.58	3567.88	5260.23	7955.94	10.48
4	Gujarat	4810.61	6894.94	8831.54	12092.3	7.35
5	Haryana	5632.61	9278.27	12437.3	17478.4	9.10
6	Karnataka	4928.52	8492.93	9307.01	17124	10.05
7	Kerala	5611.45	9764.8	12697.9	14685.6	7.68
8	Madhya Pradesh	3300.09	6083.6	8246.79	13127.2	11.21
9	Maharashtra	5459.01	7604.17	9896.87	17013.3	9.14
10	Odisha	5940.76	6277.57	8798.46	19066.8	9.38
11	Punjab	3993.14	5378.21	7201.2	11504.1	8.48
12	Rajasthan	3629.51	6650.28	9455.32	15970.3	12.07
13	Tamil Nadu	5316.66	7409.03	11808.8	15497.1	8.58
14	Uttar Pradesh	2624.77	4251.12	4813.78	8043.85	9.00
15	West Bengal	3717.15	6002.04	8085.5	13336.7	10.33
Mean		4603.3	6951.21	9185.2	14571.3	
S. D		1501.44	1784.35	2356.82	3751.7	
C.V		32.62	25.67	25.66	25.75	

The expenditure on social services per head has been increasing significantly in all states. The state of Andhra Pradesh spent more, and the state of Bihar spent less on social services. The amount was Rs. 22325.86 in Andhra Pradesh and Rs. 7955.94 in Bihar. The compound annual growth rate of per capita expenditure on social services varies between 7.35 percent and 12.07 percent among the states. The highest growth rate is recorded by the state of Rajasthan, and the lowest rate is by the state of Gujarat. The state governments have spent Rs. 4603.30 on average in 2012-13, and it has increased to Rs. 14571.32 in 2023-24. Though the disparity among the states in per capita spending on social services is high, it has declined from 32.62 to 25.75 during the study period.



Education is the largest component of social services. In India, both the Central Government and State Governments have been responsible for education since 1976. However, the major responsibility of providing educational facilities rests with the state governments.

Table 2: Per Capita Expenditure on Education (in Rs.)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	3,282.20	3,350.70	3,959.50	5,759.40	4.4
2	Assam	2,195.90	3,815.30	4,712.70	6,016.80	8.1
3	Bihar	1,326.90	1,677.40	2,193.70	4,013.50	8.9
4	Gujarat	2,130.70	2,848.40	3,786.60	5,538.80	7.6
5	Haryana	2,725.20	4,028.60	4,824.90	6,533.90	7.0
6	Karnataka	2,369.40	3,126.90	3,666.30	5,773.70	7.1
7	Kerala	3,130.70	4,934.10	4,666.40	6,629.10	5.9
8	Madhya Pradesh	1,475.20	2,683.00	3,455.60	4,866.30	9.6
9	Maharashtra	2,979.20	3,820.40	5,045.60	7,729.10	7.6
10	Odisha	1,714.10	2,685.90	3,802.10	6,503.20	10.8
11	Punjab	2,365.50	3,024.40	3,969.80	5,425.00	6.6
12	Rajasthan	1,858.70	3,299.90	4,460.10	7,633.50	11.5
13	Tamil Nadu	2,431.30	3,488.10	4,996.80	6,871.30	8.3
14	Uttar Pradesh	1,446.90	2,416.60	2,346.40	3,871.40	7.9
15	West Bengal	1,845.90	2,468.90	3,655.70	4,644.60	7.4
Mean		2,218.50	3,177.90	3,969.50	5,854.00	
S.D		597.9	762.6	837.75	1133.84	
C.V		26.95	24	21.1	19.37	

The state of Maharashtra spent Rs. 7,729.1 on education per head, whereas the state of Bihar spent Rs. 4,013.5. The highest compound annual growth rate is 11.5 (Rajasthan), and the lowest is 4.4 (Andhra Pradesh). The mean expenditure on education has surged from Rs 2218.5 to 5854 during the study period. The value of the coefficient of variation is declining continuously, which indicates that all the states are giving importance to education.

Health is an important input for the development of human resources, which in turn affects the social and economic development of the country. Investment in health care is a necessary social investment without which the large mass of the working classes cannot realize good health and contribute to the economy.

Table 3: Per Capita Expenditure on Health (in Rs)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	835.4	913.8	1,058.60	2,369.30	8.3
2	Assam	424.3	875.6	1,556.30	1,860.30	12.0
3	Bihar	142.5	366.9	626.5	897.3	15.2
4	Gujarat	470.3	799.3	1,141.40	1,331.50	8.3
5	Haryana	571.5	958.2	1,670.40	2,583.70	12.3
6	Karnataka	508.6	858	1,341.90	2,055.40	11.3
7	Kerala	829.2	1,509.40	2,269.60	2,620.90	9.3
8	Madhya Pradesh	376.1	634.8	1,011.40	2,044.40	13.9
9	Maharashtra	470.8	794.8	1,225.80	1,742.80	10.6
10	Odisha	346.3	849.7	1,504.40	3,536.30	19.6
11	Punjab	579	916.6	1,172.10	1,735.60	8.8
12	Rajasthan	419.2	734.6	1,072.10	2,297.70	14.0

13	Tamil Nadu	569.1	825.5	1,470.70	1,981.80	10.1
14	Uttar Pradesh	249.6	365.5	505	934.5	10.7
15	West Bengal	374.5	668.4	1,105.20	1,586.70	11.7
Mean		477.75	804.74	1,248.77	1,971.88	
S. D		180.53	257.15	411.53	654.7	
C.V		37.79	31.95	32.96	33.2	

The budget allotment for medical and public health is the second important component of social services. The states of Odisha, Kerala, and Haryana spent more, and the states of Bihar and Uttar Pradesh spent less on health among the 15 states. Though Bihar spent less, it registered a 15.2 percent growth rate by raising the amount from Rs. 142.5 in 2012-13 to Rs. 897.3 in 2024-25, which indicates that the state realised the importance of expenditure on health and started to raise the budget allotment in recent years. The compound annual growth rate is more than 10 percent in 11 states. The average per capita health expenditure has increased from Rs 477.75 in 2012-13 to Rs 1971.88 in 2024-25. The coefficient of variation deteriorated from 37.79 to 33.20 during the study period, which implies the preference of the state governments for the health of their citizens.

The family is considered the core of society, and the role of the family in society is to create the foundational building blocks that shape the future of our society. Public expenditure on family welfare aims at the well-being and support provided to family members, encompassing financial, physical, and emotional assistance.

Table 4: Per Capita Expenditure on Family Welfare (in Rs.)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	235.1	262.8	650.6	749.2	9.3
2	Assam	58.6	77.8	96	131	6.4
3	Bihar	30.5	38	74.6	177.8	14.5
4	Gujarat	78.3	158.6	348.6	808.6	19.7
5	Haryana	48.1	61.7	77	118.9	7.2
6	Karnataka	69.4	97.9	131	153.6	6.3
7	Kerala	96.2	148.1	134.1	118.2	1.6
8	Madhya Pradesh	47.4	47.3	61.8	98.3	5.8
9	Maharashtra	51.5	57.7	80.2	155.2	8.8
10	Odisha	50.5	74.1	92.9	191.5	10.8
11	Punjab	61.1	67.5	77	81.3	2.2
12	Rajasthan	108.5	307.7	459.5	569.2	13.6
13	Tamil Nadu	117.3	240.2	484.2	427.9	10.5
14	Uttar Pradesh	120.7	229.7	349.7	502.9	11.6
15	West Bengal	50.2	70	118	139.2	8.2
Mean		81.57	129.27	215.67	294.86	
S. D		49.11	86.41	184.3	240.55	
C.V		60.2	66.85	85.45	81.58	

Gujarat spent Rs. 808.6 in 2024-25 per head for family welfare, while Punjab spent only Rs. 81.3. 8. The compound annual growth rate varies between 1.6 percent and 19.7 percent among the states. The highest growth rate is recorded by the state of Gujarat, followed by Bihar, Rajasthan, and the lowest rate is by the state of Kerala. The state governments have spent Rs. 81.57 on average in 2012-13, and it has accelerated to Rs. 294.86 in 2024-25. The disparity among the states in per capita spending on Family welfare is high, and it has surged from 60.20 to 81.58 during the study period. This implies that not all states are giving equal preference to family welfare.

An adequate and quality water supply is a basic necessity of the socio-economic livelihood of the population. Public investment is made to provide adequate and quality water to all. It is incomprehensible that despite the global resolve to ensure the availability and sustainable management of water, several people across the world still have very limited access to basic drinking water.

Table 5: Per Capita Expenditure on Water Supply (in Rs.)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	129.73	220.51	17.54	180.84	2.59
2	Assam	105.37	288.38	172.91	301.35	8.42
3	Bihar	34.13	105.3	143.53	230.01	15.81
4	Gujarat	28.37	223.79	132.93	149.43	13.63
5	Haryana	426	631.6	766.93	793.67	4.9
6	Karnataka	45.64	673.15	225.5	126.51	8.16
7	Kerala	157.85	269.22	115.09	123.16	-1.89
8	Madhya Pradesh	100.43	382.83	129.88	80.22	-1.71
9	Maharashtra	91.9	252.12	177.87	556.79	14.86
10	Odisha	141.22	529.43	499.52	630.96	12.2
11	Punjab	142.35	122.88	169.72	328.93	6.65
12	Rajasthan	243.45	353.53	446.74	634.5	7.65
13	Tamil Nadu	33.02	179.16	103.26	108.43	9.58
14	Uttar Pradesh	1.13	22.26	48.12	193.37	48.5
15	West Bengal	84.51	210.52	111.44	192.34	6.53
Mean		117.67	297.65	217.4	308.7	
S. D		102.28	181.84	193.84	222.39	
C.V		86.92	61.09	89.17	72.04	

The per capita public expenditure on water supply has been increasing continuously in all states except Kerala and Madhya Pradesh. Hence, the compound annual growth rate is negative for these states. The state governments have spent Rs. 117.67 on average in 2012-13, and it has increased to Rs. 308.70 in 2024-25. The interstate variation in per capita spending on Water supply is high, but it has declined from 86.92 to 72.04 in 2024-25.

Housing is a basic human need along with food and clothing, and an index of the socio-economic progress of a country.

Table 6: Per Capita Expenditure on Housing (in Rs.)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	134.67	89.1	226.78	754.95	14.18
2	Assam	4.04	419.31	487.12	789.03	50.03
3	Bihar	75.84	301.04	389.1	356.17	12.64
4	Gujarat	226.23	275.07	231.7	353.38	3.49
5	Haryana	10.86	10.53	23.41	140.55	21.77
6	Karnataka	251.63	551.33	313.16	378.21	3.18
7	Kerala	29.8	24.26	34.66	21.47	-2.49
8	Madhya Pradesh	52.44	424.54	712.21	648.54	21.34

9	Maharashtra	173.54	144.14	174.09	492.83	8.36
10	Odisha	49.82	82.01	66.31	122.25	7.15
11	Punjab	NIL	124.4	164.4	485.17	16.33
12	Rajasthan	5.87	11.91	7.39	11.33	5.18
13	Tamil Nadu	99.58	157.67	689.65	551.65	14.08
14	Uttar Pradesh	2.92	4.33	27.45	22.23	16.89
15	West Bengal	28.97	14.9	16.3	707.42	27.86
Mean		81.87	175.64	237.58	389.01	
S. D		38.99	63.9	291.33	311.31	
C.V		47.63	36.38	122.62	80.03	

The states Assam, Andhra Pradesh, and West Bengal spent more on housing per head in 2024-25. The compound annual growth rate is 50.03 per cent in Assam. The state of Kerala recorded a negative growth rate. The average per capita expenditure on housing was Rs 81.87 in 2012-13, which shot up to Rs 389.01 in 2024-25. The disparity among the states in per capita spending on housing is very high, and it has also accelerated from 47.63 to 80.03 during the study period. This implies that many states do not recognize the importance of housing even today, and hence, they spend less on housing.

In India, urbanisation has become a common feature, and the migration to the cities due to the availability of economic opportunities for unskilled, semi-skilled, and skilled workers in cities contributes to this phenomenon. Therefore, it is mandatory for the welfare states to spend on urban development.

Table 7: Per Capita Expenditure on Urban Development (in Rs.)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	400.91	838.6	829.7	1,274.37	9.3
2	Assam	62.97	211.94	262.05	538.32	17.95
3	Bihar	107.17	247.33	412.3	806.39	16.79
4	Gujarat	970.32	1,323.83	1,305.35	1,130.65	1.18
5	Haryana	621.72	1,002.96	1,243.84	1,837.91	8.7
6	Karnataka	85.06	408.56	333.99	187.88	6.29
7	Kerala	94.19	250.55	417.5	424.15	12.27
8	Madhya Pradesh	218.29	611.58	670.29	486.76	6.36
9	Maharashtra	360.54	856.02	694.26	1,535.24	11.79
10	Odisha	70.45	197.15	502.34	844.42	21.05
11	Punjab	52	16.24	12.4	56.37	0.62
12	Rajasthan	353.51	632.17	764.28	1,297.96	10.52
13	Tamil Nadu	189.77	153.11	163.77	259.06	2.42
14	Uttar Pradesh	43.23	183.31	662.66	757.08	24.64
15	West Bengal	403.25	574.51	612.14	847.27	5.88
Mean		268.89	500.52	592.46	818.92	
S. D		251.21	362.61	347.13	498.6	
C.V		93.42	72.45	58.59	60.88	

Expenditure on urban development has been increasing across all states. The compound annual growth rate ranges from 0.62 to 24.64 percent. The state governments have spent Rs. 268.89 on average in 2012-13, and it has increased to Rs. 818.92 in 2024-25. The interstate variation was high in 2012-13, and it was 93.42. However, it tends to converge during the study period. In 2024-25, it has diminished to 60.88.

Social welfare policies help people, specifically weaker sections of the community, in meeting their social, economic, educational, and health needs. The state governments allotted a lump sum amount for the welfare of the Scheduled Castes, the Scheduled Tribes, and Other Backwards classes every year. The following table shows the total expenditure made by the 15 major states on the welfare of SC, ST, and OBC.

Table 8: Per Capita Expenditure on Social Welfare (in Rs.)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	1,439.76	1,548.02	4,268.47	8,819.63	14.96
2	Assam	198.19	232.32	179.55	721.67	10.45
3	Bihar	164.97	195.05	68.43	272.04	3.92
4	Gujarat	323.18	498.61	496.43	936.65	8.53
5	Haryana	130.54	205.68	129.31	278.79	6.01
6	Karnataka	580.22	1,055.66	948.82	1,486.20	7.50
7	Kerala	362.03	745.02	752.62	655.57	4.67
8	Madhya Pradesh	308.4	392.74	469.93	767.01	7.26
9	Maharashtra	564.62	773.78	871	1,957.52	10.04
10	Odisha	280.86	451.56	466.01	877.06	9.15
11	Punjab	52	178.75	195.19	227.55	12.02
12	Rajasthan	116.18	148.23	198.22	326.84	8.28
13	Tamil Nadu	275.19	480.59	556.4	575.38	5.84
14	Uttar Pradesh	220.04	193.03	173.17	231.18	0.38
15	West Bengal	90.04	172.23	342.05	576.63	15.35
Mean		340.42	484.75	674.37	1,247.32	
S. D		329.81	385.81	996.51	2,076.90	
C.V		96.88	79.59	147.77	166.51	

The highest growth rate is recorded by the state of West Bengal, and the lowest rate is by the state of Uttar Pradesh. On average, the state governments have spent Rs. 340.42 in 2012-13, and it has increased to Rs. 1,247.32 in 2024-25. The disparity among the states in spending on social welfare schemes is very high, and it also tends to diverse during the study period. In the starting year of the analysis period, it was 96.88, and in 2024-25, it is 166.51.

Labour welfare refers to a wide range of activities and policies that are designed to guarantee the well-being, health, and safety of workers. The Indian Constitution guarantees labour welfare for fair wages and conducive working conditions as well as the general well-being of the workforce by enforcing several laws and policies. Both the Central and State Governments allocate funds every year for the welfare of labour.

Table 9: Per Capita Expenditure on Labour Welfare (in Rs.)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	56.24	52.68	52.08	112.46	5.48
2	Assam	40	26.38	39.31	56.08	2.63
3	Bihar	8.8	33.97	34.69	71.69	17.51
4	Gujarat	78.16	129.27	135.06	253.11	9.46
5	Haryana	90.27	118.87	321.62	384.34	11.79
6	Karnataka	47.65	77.23	88.46	262.92	14.04
7	Kerala	196.94	261.01	240.15	292.39	3.09
8	Madhya Pradesh	25.69	36.87	130.77	187.56	16.52

9	Maharashtra	64.25	71.21	87.26	210.11	9.54
10	Odisha	21.66	27.03	24.53	119.03	14
11	Punjab	55.89	66.62	84.81	123.29	6.27
12	Rajasthan	49.43	66.64	145.41	247.5	13.19
13	Tamil Nadu	41.64	62.09	86.78	153.79	10.57
14	Uttar Pradesh	54.3	29.43	45.06	99.17	4.74
15	West Bengal	20.98	23.29	23.32	82.45	11.1
Mean		56.79	72.17	102.62	177.06	
S.D		42.99	59.29	81.01	92.13	
C.V		75.69	82.15	78.94	52.03	

In per capita terms, the expenditure on labour welfare has increased in all the states. The mean expenditure on labour welfare accelerated from Rs. 56.79 in 2012-13 to Rs. 177.06 in 2024-25. Though the disparity among the states in per capita spending on labour welfare is high, it has declined from 75.69 to 52.03 during the study period.

According to the International Labour Organisation," Social security is the protection that a society provides to individuals and households to ensure access to health care and to guarantee income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or the loss of a breadwinner". Social security serves as a protective shield for people during difficult times. Social welfare cannot exist without social security. It acts as a buffer against hardships in times of need. It helps lift millions of people out of poverty, thereby improving their standard of living.

Table 10: Per Capita Expenditure on Social Security (in Rs.)

S.No.	States	2012-13	2016-17	2020-21	2024-25	CAGR
1	Andhra Pradesh	949.79	1,556.78	669.17	754.99	-1.75
2	Assam	307.3	241.93	449.09	2,081.70	15.85
3	Bihar	188.91	431.22	583.71	546.34	8.51
4	Gujarat	102.7	125.81	434.93	695.25	15.85
5	Haryana	840.59	1,785.00	3,009.95	4,300.83	13.38
6	Karnataka	617.85	899.14	1,544.22	6,184.38	19.39
7	Kerala	604.82	1,513.34	3,844.21	3,603.88	14.72
8	Madhya Pradesh	401.28	489.99	832.86	3,308.65	17.62
9	Maharashtra	219.77	348.66	501.29	1,603.03	16.52
10	Odisha	563.97	867.23	919.77	4,928.52	18.15
11	Punjab	402.33	510.44	1,067.36	2,527.10	15.18
12	Rajasthan	170.26	596.27	1,232.58	2,128.68	21.45
13	Tamil Nadu	1,145.92	1,074.62	1,196.70	3,686.34	9.4
14	Uttar Pradesh	448.84	643.1	576.04	1,211.95	7.94
15	West Bengal	661.98	1,477.77	1,590.33	4,138.31	15.14
Mean		508.42	837.42	1,230.15	2,780.00	
S. D		293.33	511.97	946.76	1,641.13	
C.V		57.69	61.14	76.96	59.03	

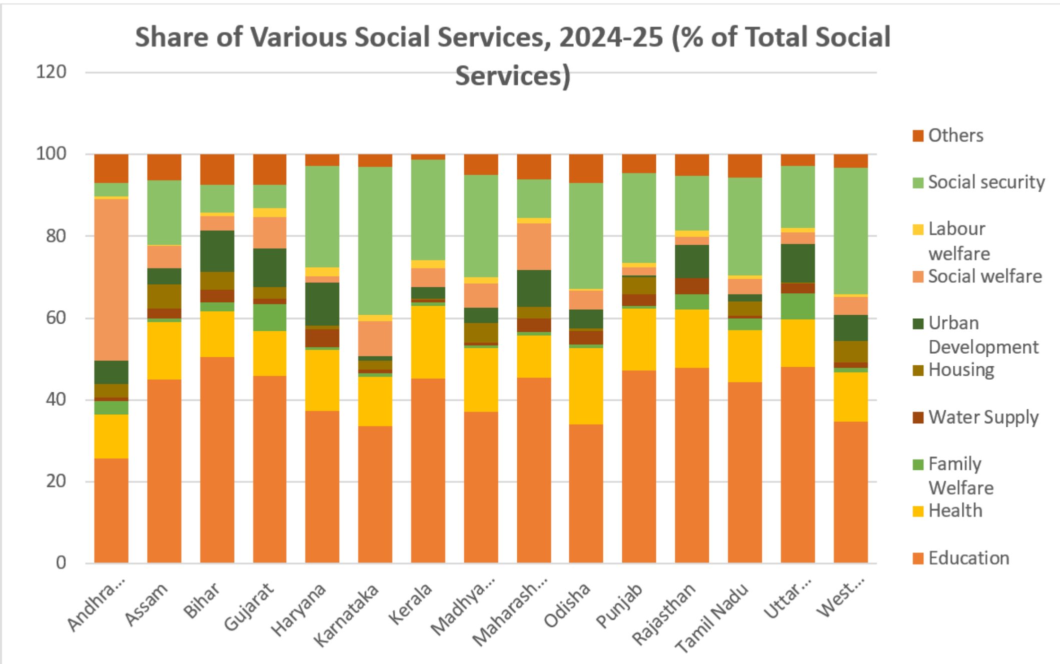
The expenditure on social security per capita has also been increasing steadily in all states except Andhra Pradesh. The state governments have spent Rs. 508.42 on average in 2012-13, and it has increased to Rs. 2,780.00 in 2024-25. It implies that all the state governments have allotted more funds for social security in their budgets. The disparity among the states in per capita spending on Social Security is high. Moreover, it has surged to 59.03 in 2024-25 from 57.69 in 2012-13.

To analyse the expenditure preference of the states, the percentage share of various social services spending in total social services expenditure for the period 2014-25 is presented in the following table.

Table 11: Share of Various Social Services (% of Total Social Services)

States	Education	Health	Family Welfare	Water Supply	Housing	Urban Development	Social welfare	Labour welfare	Social security	Others
Andhra Pradesh	25.8	10.61	3.36	0.81	3.38	5.71	39.5	0.5	3.38	6.95
Assam	45.07	13.94	0.98	2.26	5.91	4.03	5.41	0.42	15.6	6.38
Bihar	50.45	11.28	2.23	2.89	4.48	10.14	3.42	0.9	6.87	7.34
Gujarat	45.8	11.01	6.69	1.24	2.92	9.35	7.75	2.09	5.75	7.4
Haryana	37.38	14.78	0.68	4.54	0.8	10.52	1.6	2.2	24.61	2.89
Karnataka	33.72	12	0.9	0.74	2.21	1.1	8.68	1.54	36.12	2.99
Kerala	45.14	17.85	0.8	0.84	0.15	2.89	4.46	1.99	24.54	1.34
Madhya Pradesh	37.07	15.57	0.75	0.61	4.94	3.71	5.84	1.43	25.2	4.88
Maharashtra	45.43	10.24	0.91	3.27	2.9	9.02	11.51	1.23	9.42	6.07
Odisha	34.11	18.55	1	3.31	0.64	4.43	4.6	0.62	25.85	6.89
Punjab	47.16	15.09	0.71	2.86	4.22	0.49	1.98	1.07	21.97	4.45
Rajasthan	47.8	14.39	3.56	3.97	0.07	8.13	2.05	1.55	13.33	5.15
Tamil Nadu	44.34	12.79	2.76	0.7	3.56	1.67	3.71	0.99	23.79	5.69
Uttar Pradesh	48.13	11.62	6.25	2.4	0.28	9.41	2.87	1.23	15.07	2.74
West Bengal	34.83	11.9	1.04	1.44	5.3	6.35	4.32	0.62	31.03	3.17

The percentage share of expenditure on education to social services is high in all the states. Except for Andhra Pradesh, all the states spend more than 30 per cent on education. Social security is the next important expenditure in all the states except Andhra Pradesh, Bihar, Gujarat, Maharashtra, and Rajasthan. In these states, health expenditure occupies second place. In Andhra Pradesh, social welfare is the first important expenditure item (39.50 %).



The percentage share of various social services expenditure in Per Capita Net State Domestic Product is presented in the following table for the year 2024-25.

Table 12: Share of Various Social Services (% of PNSDP)

States	Education	Health	Family Welfare	Water Supply	Housing	Urban Development	Social welfare	Labour welfare	Social security
Andhra Pradesh	2.38	0.98	0.31	0.07	0.31	0.53	3.64	0.05	0.31
Assam	4.43	1.37	0.1	0.22	0.58	0.4	0.53	0.04	1.53
Bihar	6.65	1.49	0.29	0.38	0.59	1.34	0.45	0.12	0.91
Gujarat	1.86	0.45	0.27	0.05	0.12	0.38	0.31	0.09	0.23
Haryana	2.01	0.79	0.04	0.24	0.04	0.56	0.09	0.12	1.32
Karnataka	1.73	0.62	0.05	0.04	0.11	0.06	0.45	0.08	1.86
Kerala	2.36	0.93	0.04	0.04	0.01	0.15	0.23	0.1	1.28
Madhya Pradesh	3.41	1.43	0.07	0.06	0.45	0.34	0.54	0.13	2.32
Maharashtra	2.78	0.63	0.06	0.2	0.18	0.55	0.71	0.08	0.58
Odisha	3.99	2.17	0.12	0.39	0.07	0.52	0.54	0.07	3.02
Punjab	2.76	0.88	0.04	0.17	0.25	0.03	0.12	0.06	1.29
Rajasthan	4.54	1.37	0.34	0.38	0.01	0.77	0.19	0.15	1.27
Tamil Nadu	2.18	0.63	0.14	0.03	0.18	0.08	0.18	0.05	1.17
Uttar Pradesh	4.14	1	0.54	0.21	0.02	0.81	0.25	0.11	1.3
West Bengal	3.01	1.03	0.09	0.12	0.46	0.55	0.37	0.05	2.69

All the state governments spent 2 to 7 per cent of PNSDP on education. The state of Bihar spent 6.65 per cent of its revenue on education. The states of Gujarat and Karnataka spent less than 2 per cent of their revenue on education. All the state governments spent less than 2 per cent of their income on health. Social security is the second-largest expenditure in 11 states. Less than one per cent is spent on labour welfare, housing, water supply, and family welfare. Regarding social welfare, except for Andhra Pradesh, all the states spent less than 1 per cent.

IV. CONCLUSION

The Social services sector is closely linked to a nation's economic growth and human development index. India's public expenditure on social services has developed to balance market-driven growth with inclusive progress. The government has increasingly invested in education, health, and welfare schemes to promote equity and reduce disparities. Although less than one per cent is spent on many vital social services, there is significant variation among states in their social service expenditures. This variation is high for all services except education and health services. Balanced regional development is essential for the growth of any economy. Inflation is a major factor driving the rise in public expenditure; reducing inflation is necessary to lower the costs of government projects. Wasteful spending must be identified to curb non-developmental expenses and direct scarce resources toward social services.

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