

8th August 2007

Dear Mr Prime Minister,

As you are aware, in an earlier letter to you dated 23rd October 2006, NKC had emphasized the urgent need for a central legislation, requiring the states to enact Right to Education Bills within a specified time period, and with the primary financial responsibility for this resting with the central government.

NKC understands that you are now actively reconsidering the possibility of central legislation, and we greatly welcome this. However, NKC would strongly reiterate that the proposed legislation must include a financial commitment on the part of the central government. This may involve measures such as requiring the central government to share the revenues of the Prarambhik Shiksha Kosh with state governments and to provide additional resources as required in those states with large existing gaps. Mechanisms could be put in place to ensure that such funds are dedicated only to meet the requirement of the right to education for all children, with all the quality considerations that implies.

NKC believes that the potential expenditure on this is probably less than has been estimated earlier by the MHRD. The Kapil Sibal Committee that had prepared the CAFE draft had estimated an expenditure of **Rs.2,20,643 crore** for the period 2008-2012. However, this was based on population projections for the future that have since been revised downwards by the Census of India. For example, current population projections suggest that there will be at least 6 million less children in 2011-12 than the earlier projections used by the Sibal Committee had indicated. This in turn means a significant reduction in the estimated costs for universal schooling. Using the same per capita spending with the new population projections gives a total cost for the five year period 2008-2012 of **Rs. 1,51,273 crore**, based on 50:50 division of SSA. This amounts to an average of just above Rs. 30,000 crore per annum, which is much less than 1 per cent of GDP and also less than 8 per cent of total central government spending.¹

In this connection, NKC would also like to express its concern about the recent decision of the central government to reduce the central funding for the Sarva Shiksha Abhiyan from 75 per cent to 50 per cent. There is a fear that this may lead to a sharp curtailment of progress towards universal school education, especially in the more backward states where the gap is greater. It is worth noting that state governments are already incurring

¹ If the centre provides 75 per cent of the spending for SSA, the additional cost would be Rs. 37,000 crore over the 11th Plan period, that is around Rs. 7,000 crore per annum.

the bulk of school education expenditure.² NKC strongly feels that, in addition to 50 per cent of SSA, the Centre should provide *all* the necessary funding to ensure the Right to Education in those states where the state government is already spending at least 15 per cent of its total budget on school education.

We hope that you will look into this matter and the central government will be able to commit the necessary financial resources to realize the Right to Education for all children.

Warm personal regards,



Sam Pitroda,
Chairman,
National Knowledge Commission

Dr. Manmohan Singh
Prime Minister of India

² Currently, the ratio of central government to state government spending for school education, including SSA, is 12:88. If mid-day meals are included, it is 20:80.