

HOUSEHOLD INCOME SURVEY – ECONOMY

NEWS: The Ministry of Statistics and Programme Implementation (MoSPI) will conduct the first-ever Household Income Survey in 2026.

WHAT'S IN THE NEWS?

Overview of the Household Income Survey

- **First-of-its-kind Survey in India:**
This will be **India's first comprehensive, nationwide survey** solely focused on measuring **household income**, covering both **rural and urban** households.
- **Nodal Agency:**
The survey is being conducted by the **National Sample Survey Office (NSSO)** under the **Ministry of Statistics and Programme Implementation (MoSPI)**.

Technical Expert Group (TEG)

- **Chairmanship and Constitution:**
MoSPI has constituted a **Technical Expert Group (TEG)** under the chairmanship of **Dr. Surjit S. Bhalla**, an economist and former IMF Executive Director.
- **Key Mandates of TEG:**
 - To **finalize definitions, concepts, survey instruments, and sampling frameworks** suited to Indian realities.
 - To adopt **international best practices** from countries like the **USA, Australia, Canada, and South Africa**, particularly to address the issue of income underreporting.
 - To guide **estimation techniques**, ensure **data quality protocols**, and frame a roadmap for **result finalization and public release**.
 - To integrate **digital tools** into the survey for tracking the **impact of technology on income patterns**, especially in the gig economy and informal sector.

Significance of the Survey

- **Bridging a Critical Data Gap:**
Despite having extensive data on **consumption, poverty, and employment**, India **lacks official data on household income distribution**. This survey fills that gap, allowing a **direct mapping of income levels and disparities**.
- **Policy Targeting and Welfare Efficiency:**
Accurate income data will enable better **design and targeting of welfare schemes**, such as **subsidies, DBTs (Direct Benefit Transfers), and social security**, making them more **inclusive and need-based**.
- **Understanding Impact of Technology on Incomes:**
The survey will help evaluate the **effects of digital platforms, gig economy jobs, and automation** on income flows, an area not adequately captured by previous datasets.
- **Foundation for Tax and Fiscal Policies:**
By accurately estimating real income across segments, the survey can serve as a

benchmark for tax policy, including **rational income slabs**, **fiscal redistribution**, and **subsidy targeting**.

- **Aligning with Global Practices:**

Countries like the **USA, Australia, and South Africa** conduct such income surveys regularly, and India's move brings **international comparability** to its socioeconomic statistics.

Challenges in Conducting the Survey

- **Underreporting and Disclosure Hesitation:**

Households, especially in the informal sector, may **understate or hide income**, fearing **tax scrutiny**, **loss of subsidies**, or **legal consequences**, leading to data inaccuracy.

- **Fragmented and Diverse Income Sources:**

Indian households typically have **multiple income streams** — such as **agriculture**, **informal work**, **remittances**, **pensions**, **daily wages**, etc.

Capturing all of these accurately, especially in rural and semi-urban areas, poses a major **technical challenge**.

- **Inconsistencies Between Income, Consumption, and Savings:**

Past surveys have shown that reported incomes are often **lower than actual consumption and savings**, indicating either **poor recall** or **intentional misreporting**.

- **Seasonal and Volatile Earnings:**

In sectors like **agriculture**, **construction**, or **casual labour**, incomes fluctuate based on season or month. A **single-visit survey** may not adequately reflect this **volatility**, unless repeated interviews are conducted.

- **Need for Well-Trained Enumerators:**

Surveyors must be trained not just in **data collection techniques**, but also in **building rapport** with respondents, **handling sensitive questions**, and **understanding regional income patterns**.

Way Ahead

- **Institutionalising the Survey:**

This income survey should be conducted **regularly** (every few years), not as a one-time effort, to track **income trends**, **inequality**, and **policy effectiveness** over time.

- **Capacity Building of Field Staff:**

Enumerators must undergo **detailed, multi-level training** — including soft skills — to enhance **data accuracy**, **gain public trust**, and **minimize response bias**.

- **Use of Digital Tools and Confidentiality Assurances:**

Integration of **secure digital data collection platforms** and assurance of **anonymity** may help **reduce fear of disclosure** and improve reliability.

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