



Press Release

Civil Society Organisations voice key expectations from the Union Budget 2010

Centre for Budget and Governance Accountability (CBGA) and Oxfam India to raise key issues that come in the way of effective implementation of budgetary allocations

New Delhi, 16 February: Taking view of the serious problems like non-allocation and underutilisation of budget/resources for various schemes under the government of India, the Centre for Budget and Governance Accountability (CBGA) and Oxfam India today demanded increased allocation for flagship schemes in health and education from this year's budget besides effective utilisation of the allocated resources.

“A series of people's consultations held by the CBGA across the country with support from Oxfam India has revealed that there is need for greater allocation of budget for the flagship schemes under health and education besides effective utilization of allocated budget and better accountability and commitment toward various schemes for the upliftment of SCs and STs,” said Nisha Agrawal, Chief Executive Officer, Oxfam India.

In terms of education, the UPA had promised a hike in public spending on education to 6 percent of the GDP. However, the overall public spending on Education in the country continues to remain at a low of 3.37 percent of the GDP. With only two years left for the Eleventh Plan period to end, the Union Government still has not been able to allocate even 50 percent of the total outlays (recommended by the Planning Commission in several schemes, like, Mid Day Meal, Strengthening of Teachers' Training Institutions, and Rashtriya Madhyamik Shiksha Abhiyan. In 2007-08, the actual expenditure incurred in the whole country on Sarva Shiksha Abhiyan, was only 81 percent of the total funds available that year for this scheme. “Moreover, the Right of Children to Free and Compulsory Education Act, 2009 has also not been notified yet,” Nisha pointed out arguing that it is imperative that this was done at the earliest.

Analysts like Praveen Jha of the Centre for Economic Studies and Planning of the Jawaharlal Nehru University (JNU) and Dr. Narendra Gupta of Prayas argue that **India's public health doesn't bring much cheer either** as the combined budgetary allocation (i.e. the total outlays from both Union Budget and State Budgets) for health still stands at a meagre 1.04 percent of GDP for 2008-09, despite the fact that the UPA had made a commitment in the National Common Minimum Programme (NCMP) in 2004 that total public spending on Health in the country would be raised to 2 to 3 percent of GDP.

In 2003-04, only 1.58 percent of the total Union Budget was spent on Health. However, as a proportion of the GDP, Union Government's spending on Health shows a less perceptible increase from 0.26 percent in 2003-04 to 0.39 percent in 2009-10. Moreover, the total public spending on Health in the country continues to hover around the 1 percent of GDP mark, since the State Governments have not stepped up the priority for Health in their Budgets. As per the figures reported by the RBI, the expenditure on Health & Family Welfare as a proportion of Aggregate Disbursements from Budgets of All States has increased only marginally from 3.9 percent in 2005-06 to 4.1 percent in 2008-09 (Budget Estimates). As a proportion of the GDP, the expenditure on Health & Family Welfare from Budgets of All States shows a negligible increase from 0.6 percent in 2005-06 to 0.7 percent in 2008-09 (Budget Estimates).

The success rate of the Government's flagship programme i.e. the National Rural Health Mission (NRHM) is lamentable. While the Planning Commission had recommended a total outlay of Rs. 89478 crore for this programme for the Eleventh Plan period, the total allocation made by the Union Government in the first three years of the Plan period (i.e. 2007-08 to 2009-10) stands at Rs. 36529 crore (only 40.8 percent of the total outlay recommended for the five years). In 2007-08, the level of fund utilization in this

programme was low in several states (50-59%). In its 2009 Election Manifesto, the UPA had committed that *every district headquarters hospital would be upgraded to provide quality health facilities to all*. However, the amount of funds allocated by the Union Government for *strengthening of district hospitals* has been only Rs. 68 crore in 2008-09, which was further reduced to Rs. 36 crore in 2009-10.

The state of schemes for the upliftment of Scheduled castes & scheduled tribes are also not very impressive. The budget statement introduced by the UPA government reveals that most Union Government ministries / departments are not fulfilling the budgeting guidelines (which require that within the Plan budget of a ministry / department, a certain minimum share should be earmarked for the benefit of SCs/STs which should be the same as the proportion of SCs/STs in the total population of the country). Only a handful of the Union Government ministries are reporting their Plan allocations earmarked for SCs and STs. There is no information in the public domain on the assumptions made by the Union Ministries regarding the proportion of SC / ST beneficiaries in their schemes, based on which they are reporting their Special Component Plan (SCP) / Tribal Sub-Plan (TSP) allocations. Moreover, the Plan allocations earmarked for SCs and STs as a proportion of total Plan allocation of the Union Government have been far below the norms of 16 percent and 8 percent (according to the percentage of SC and ST population in the country) for SCP and TSP respectively. Also, a large chunk of the funds earmarked for SCP and TSP, is diverted to essential services and employment generation programmes, with no emphasis on providing funds for long term development and empowerment of the SCs and STs.

“One of the commitments made by the Indian National Congress in its 2009 Election Manifesto pertains to Special Component Plan for SCs and Tribal Sub Plan for STs – *“The Indian National Congress will take steps to ensure that allocations under the Special Component Plan for scheduled castes and the Tribal Sub-Plan for scheduled tribes are made in accordance with their proportions in the population.”* However, only a handful of the Union Government ministries are reporting their Plan allocations earmarked for SCP and TSP. Moreover, it is a matter of serious concern that the Plan allocations earmarked for SCP and TSP as a proportion of total Plan allocation of the Union Government (excluding the Central Assistance to the State & UT Plans) have been far below the norms of 16 percent and 8 percent (according to the percentage of SC and ST population in the country) for SCP and TSP respectively. In a single year, i.e. in 2009-10 (Budget Estimates), the deficit in SCP of the Union Govt. was as much as Rs.23682 crore and the deficit in TSP was Rs.9756 crore”, said Executive Director, Centre for Budget and Governance Accountability, Yamini Mishra.

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