

**Children not Included in 'Inclusive' Budget:
Where is the 'Aam Bachcha' in the budget, Mr FM?**

UNION BUDGET 2009-10 AT A GLANCE



By¹

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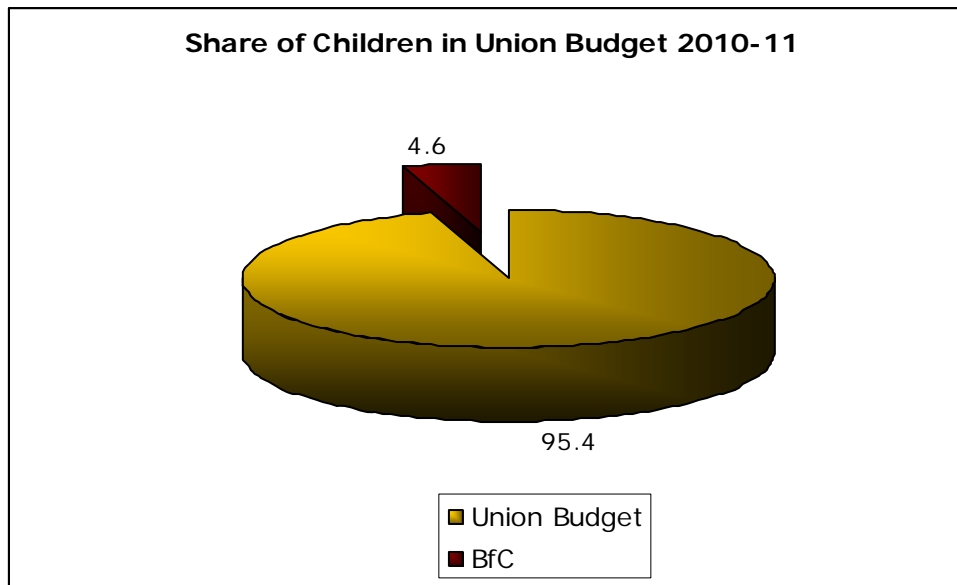
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Finance Minister's Pranab Mukherjee's "inclusive" Budget 2010-11 does not include children, who are over 42 per cent of the population. Out of every rupee spent in the budget, he has allotted only 4.63 paise to children. The children's share in the next fiscal is only slightly higher than 4.21 per cent in 2009-10, even as the total budget size has risen 8.61 per cent to a record Rs 11 lakh crore.

More importantly, the budget measures will lead to an all-round price rise, adding to the inflation ruling at over 7 per cent now. Worse, it has no concrete measure to counter the seriously high food inflation, at 20 per cent now, with severe implications for the nutrition of small children and new and would-be mothers.

Even the small increase in the share of the budget for children will reduce once the actual estimates come in, as has been the trend in the past five years (see table 1). The gap between the funds allocated and the funds actually released on the ground is never sharper in any other area than in the case of child-focused schemes in education, health, protection and development (see box below). Even with the huge allocation to elementary education, for instance, children's share of education remains only 3.2 per cent. Although the government has promised to soon bring in the Food Security Bill, to ensure that the poorest families are provided with 25 kg of wheat or rice every month at Rs 3 per kg, the budget contains several measures that will actually fan inflation. Prices of essential items were acutely high all through 2009, out of reach of average families. According to the third National Family Health Survey conducted over 2005-06, 37 million children below the age of 3 are underweight, while almost 50 per cent of under-fives are moderately or severely malnourished.



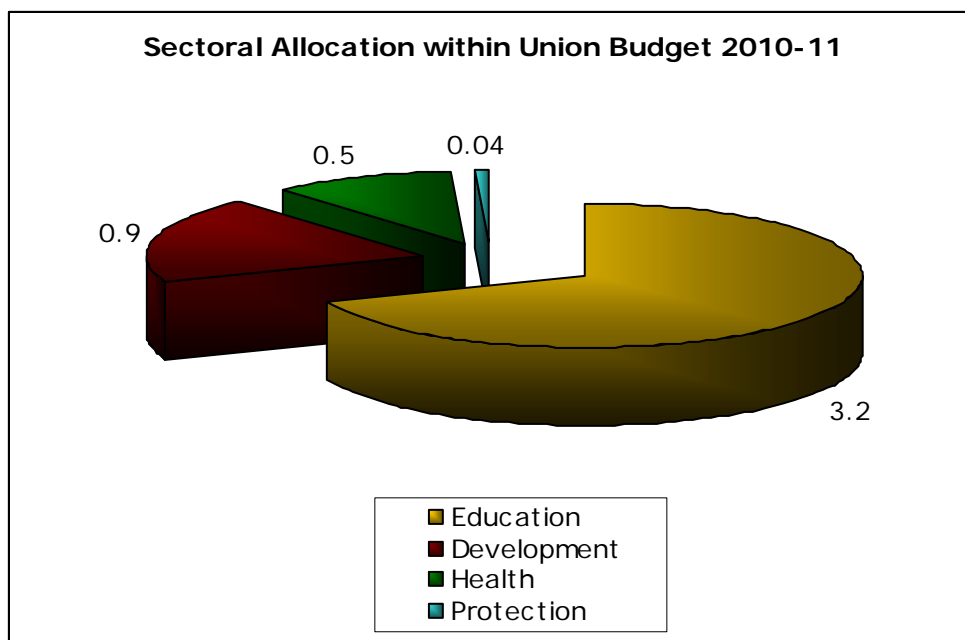


Table 1: Budget for Children (BfC) in 2009-10: Share of child-focused plans in budgeted expenditure (in per cent)

Programmes & Schemes	2005-06	2005-06	2006-07	2006-07	2007-08	2007-08	2008-09	2008-09	2009-10	2009-10	2010-11
	(BE)	(RE)	(BE)	(RE)	(BE)	RE	BE	RE	BE	RE	BE
Percentage Share of children in Union Budget	3.85	4.14	4.9	4.67	4.87	4.43	5.31	4.31	4.21	4.13	4.63
Union Budget (Rs crore)	514343.8	508705.4	563991.1	581637.0	680520.5	709373.3	750883.5	900953.4	1020837.7	1021546.5	1108749.2

Child development has a share of less than one paise of the Union budget. However, the Integrated Child Development Services, one of the world's largest programmes for early childhood development, has received Rs 7,932.71 crore in the budget, an 18 per cent jump over last year. So far, according to MWCD, about 69 million children aged 6-72 months are covered by the Supplementary Nutrition Programme under ICDS and only 34 million children are covered by any kind of pre-school initiatives, including ICDS. This must be seen against the total number of children under six years, which is 164 million. According to the MWCD website, which lays down a target of 1.4 million Anganwadi centres (one in every habitation), there is still a shortfall of 95731 centres as of March 2009. Hopefully the increased budget will go some way in bridging the shortfall in all these areas.

Protection

Continuing with earlier trend, the Union budget has allocated precious little to protection of children, only 0.04 per cent, even when protection should ideally be taken up on a war footing by policymakers? India has the highest number of working children in the world, 12.66 million as per the 2001 census and anywhere between 14 million and 50 million unofficially. More alarmingly, crimes against children went up by 7.6 per cent in just one year to 2007, according to Crime in India 2007, published by the National Crime Records Bureau.

India also has the highest number of sexually abused children in the world, with one in every 10 children sexually abused at any point in time, and a child below 16 years raped every 155th minute. The National Human Rights Commission (NHRC) says that on an average, 44000 children are reported missing every year and one fourth remain untraced.

Children are also getting more vulnerable in an increasingly politicised environment. Children in 19 out of 28 states are growing up in internal armed conflicts. This has an effect in juvenile crimes, which are rising three times faster than all crimes. Since 2001, juvenile crimes have gone up by 38.5 per cent, as compared to a 12.5 per cent rise in all crimes.

Sectoral allocation within BfC as Percentage of Union Budget		
Sectors within BfC	In per cent	
	2009-10	2010-11
Share of Development Sector, BfC in Union Budget	0.69	0.90
Share of Health Sector, BfC in Union Budget	0.46	0.49
Share of Protection Sector, BfC in Union Budget	0.02	0.04
Share of Education Sector, BfC in Union Budget	3.03	3.20
Share of Children in Union Budget	4.21	4.63
Source: Expenditure Budget Volume II, 2008-09 & 2009-10		

To echo the finance minister, “The Union Budget cannot be a mere statement of Government accounts. It has to reflect the Government's vision and signal the policies to come in future.” More importantly, the “government concentrates on supporting and delivering services to the disadvantaged sections of the society”. Yet, the budget has few such long term policy measures for the social sector.

Out of every rupee spent in the budget, 29 paise is coming from borrowing even as 19 paise is being spent on interest payment. Thus, even as growth has shrunk, the fiscal deficit, or the total new borrowing of the government has dipped only a little, from 6.8 per cent of the Gross Domestic Product in 2009-10 to 5.5 per cent in 2010-11. The high debt, described by economists as “a generational burden”, remains on India's children

The huge gap between approved budget and funds released

Centrally sponsored scheme to build 6000 high-quality model schools at block level as benchmarks of excellence: First phase was launched in November 2008. 419 schools in 12 states were approved during 2009 but only 167 schools in six states have been sanctioned.

Centrally sponsored scheme of hostels for SC boys and girls, renamed Babu Jagjivan Ram Chhatravas Yojna from January 1, 2008: Central assistance for girls hostels was raised from 50 per cent to 100 per cent. The target during 2009-10 was to construct 44 hostels for girls and 30 hostels for boys. Only Rs 5.98 crore was released under the scheme against an allocation of Rs 90 crore up to December 2009 .

Centrally sponsored scheme to set up Girls Hostels in Educationally Backward Blocks with 100 seats in about 3,500 educationally backward blocks: In October 2008, 647 hostels in 14 States were approved. So far only 163 hostels in seven states have been sanctioned.

Source: Economic Survey 2009-10, Chapter 11.

who will keep paying the cumulative interest burden and bear the price pressure.