

Union Budget 2018-19

Budget for Children in #NewIndia

“Madam, while making the proposals in this year’s Budget, we have been guided by our mission to especially strengthen agriculture, rural development, health, education, employment, MSME and infrastructure sectors of Indian economy. I am sure the New India which we aspire to create now will emerge”

Finance Minister, Shri Arun Jaitley



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Introduction

India is currently going through a major demographic transition and it is this transition that is going to make India one of the world's youngest countries with largest young population.¹ Of this young population, a significant 37 per cent belong to the age group of 0-18 years. With such dynamic and significant demographic dividend, it is quintessential to see how the country is looking at this age group in terms of financial resource allocation and how it fits into the government's focus on engineering "an inclusive and sustainable growth for India" as outlined in the Economic Survey of 2017-18.²

Budget for Children: Highlights

Health and education cess increased from 3 per cent to 4 per cent.

Government launches the "world's biggest" health protection scheme to cover 10 crore poor families

Integrated B.Ed. programme for teachers, in-service training of teachers and the technology driven shift from "black board" to "digital board" seen as answers to the concern regarding quality of education.

Eklavya Model Residential Schools to be started for scheduled tribe populations for revitalizing school infrastructure, training in sports and skill development and preserving tribal culture through an allocation of 1 lakh crore rupees over four years.

Budget allocates money for social security and protection programme for every household with an old widows, an orphaned child or a *divyaang*.

Launched a new scheme called the Prime Minister Saubhagya Yojana for providing electricity to all households of the country so that women and children do not remain deprived of the

PART A: EXECUTIVE SUMMARY OF THE BUDGET FOR CHILDREN 2018-19

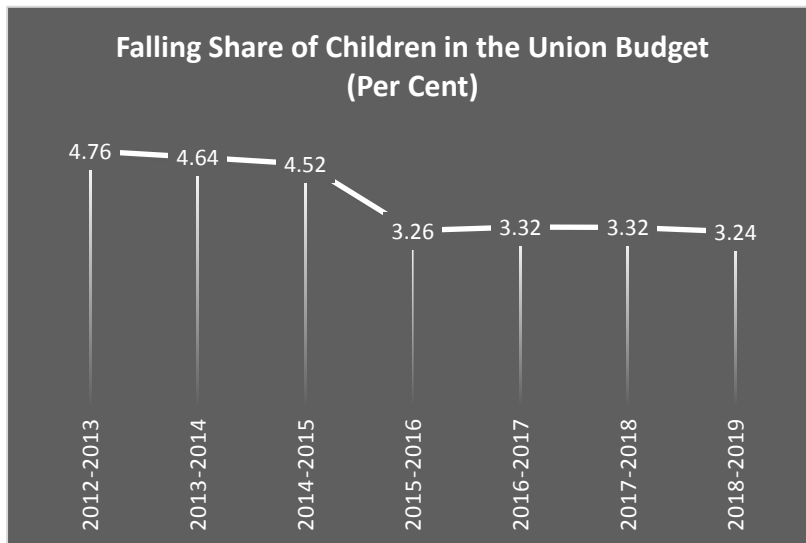
Children, in the Union Budget 2018-19, received only 3.24 per cent of the total financial resources, a decline of 0.08 percentage points from the 2017-18 budget.

While the Union Budget has increased by 13.8 per cent, the Budget for Children (BfC) increased at a lower rate of 10.9 per cent.

¹ UNFPA, "The Power of 1.8 Billion: Adolescents, Youth and the Transformation of the Future", State of World Population, 2014 and Dr. Harsh Kumar Bhanwala, Chairman, NABARD in "By 2020, India will have the largest young workforce", The Times of India, TNN, March 12, 2016.

² Department of Economic Affairs, Finance Ministry of India, Economic Survey of India 2017-18 "Social Infrastructure, Employment and Human Development", Volume II.

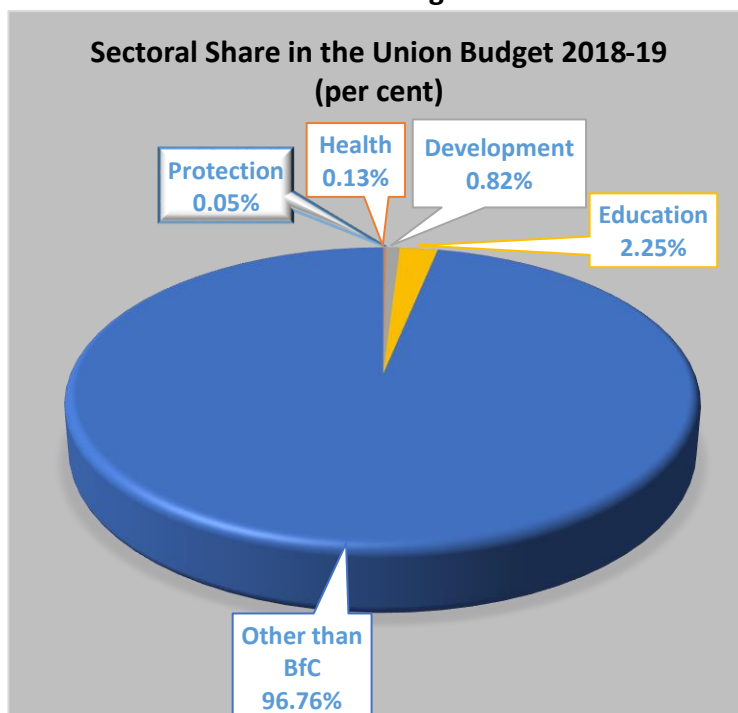
Share of Budget for Children (BfC) in the Union Budget 2018-19



The share of BfC has seen a decline since the year 2012-13. While this decline was steep and sharp in the year 2015-16, there has been very little attempt to make up for it in the following years. In the year 2014-15, when the NDA government came into power, the share of BfC was only 4.52 per cent. In 2018-19, which could possibly be the last

full-fledged budget of the government before it goes to election, it has fallen to 3.24 per cent. This despite the government adopting the National Plan of Action for Children in the year 2016 with specific goals and strategies to meet its commitment to India's children.

Sectoral share in the Union Budget



- Although there is a decline in the budget for child education, it remains the topmost priority among all sectors within the BfC component of the Union Budget.

- While there is an absolute increase in the budget for child protection between 2017-18 and 2018-19, as percentage of the Union Budget, it remains at 0.05 per cent and continues to be the least prioritized sector.

- This year's Budget Speech announced a world class national health care scheme, but children's health does not seem

to be the focus. Child health and child development remain moderately funded and there is not much change in their allocations compared to last year.

- India's expenditure on public health is as low as 1.2 per cent of the total GDP. Child health has received 0.13 per cent of the total Union Budget, an increase of 0.01 percentage points from last year.
- Child Development has received 0.82 per cent of the Union Budget, a slight increase of 0.02 percentage points against the previous year.

Sectoral Share in Union Budget (in per cent)					
Year	Health BE	Development BE	Education BE	Protection BE	Other than BfC
2014-2015	0.16	1.06	3.26	0.04	95.49
2015-2016	0.13	0.51	2.57	0.05	96.74
2016-2017	0.12	0.77	2.40	0.03	96.68
2017-2018	0.12	0.80	2.34	0.05	96.68
2018-2019	0.13	0.82	2.25	0.05	96.76

Share of sectoral allocation within the Budget for Children (BfC)

When seen as percentage of the Budget for Children, the share of child education and child protection has declined, while that of child health and child development has gone up.

Sectoral Share in Budget for Children (BfC) (in per cent)				
Year	Health BE	Development BE	Education BE	Protection BE
2014-2015	3.59	23.36	72.21	0.78
2015-2016	3.93	15.74	78.95	1.38
2016-2017	3.59	23.23	72.14	1.04
2017-2018	3.76	24.21	70.54	1.49
2018-2019	3.90	25.25	69.37	1.48

Although more funds are hoped to be generated through the increase in the health and education cess, education remains underfunded. A closer look at each of the sectors and the different schemes explains where the amounts have increased and decreased.

At this point, it is important to mention that the restructuring and rationalisation of certain schemes for children under the umbrella ICDS has called for revisiting the methodology for calculating sectoral allocations.

Rationalisation and Restructuring of Flagship Schemes

“Recently, rationalization, restructuring and continuation of four child centric schemes such as (a) Anganwadi Services (in place of ICDS); (b) Scheme for Adolescent Girls (SAG) (in place of SABLA); (c) Child Protection Services (in place of Integrated Child Protection Scheme) and (d) National Crèche Scheme (in place of Rajiv Gandhi National Crèche Scheme) of the Ministry under ‘Umbrella Integrated Child Development Services’ Scheme has been approved by the Government”.

----Chapter 10, Economic Survey 2017-18

Here is an example...

Umbrella Integrated Child Development Services (ICDS) Component-wise Break-up of the Allocation 1.4.2017 to 30.11.2018	
Name of the sub-scheme	Amount approved (Rs. Crore)
Anganwadi Services	34441.34
National Nutrition Mission (proposed)	4241.33
Scheme for Adolescent Girls	1238.37
Child Protection Services	1083.33
National Crèche Scheme	349.33
TOTAL	41353.70

The Scheme for Adolescent Girls with an allocation of Rs. 500 Crores has not been included in Statement 12, though it is part of the Umbrella ICDS.

As per the Government's own projection, more than 11 crore children, pregnant women & lactating mothers and the adolescent girls will be benefited through this scheme.

Indeed rationalization and restructuring will show a wider outreach.

But there are other concerns about dilution of focus. Even as all rights are intrinsically inter-linked, different components require specific focus.

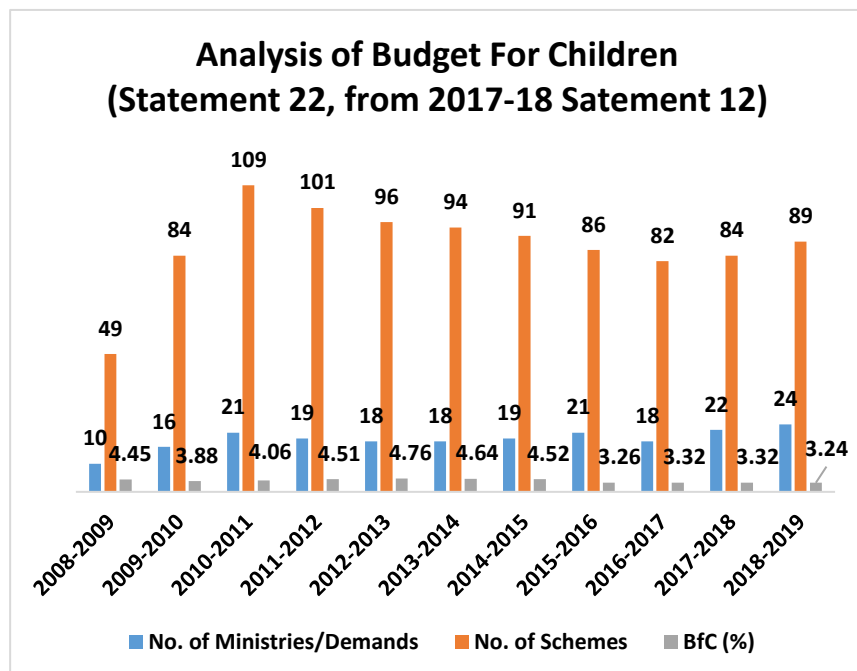
Inclusion of new schemes in Statement 12 in 2018-19

It is interesting to see how the number of ministries and the number of schemes are getting added into the Statement every year.

This year's additions are from the Ministry of Culture and include:

- Central Institute of Buddhist Studies
- Central Institute of Higher Tibetan Studies
- Central Institute of Himalayan Culture Studies
- Promotion of Arts and Culture
- Zonal Cultural Centres

How many of them fit into budget for children remains a mystery!



Additionally there is an inclusion from the Ministry of Science and Technology- INSPIRE AWARD (MANAK).

Details of some flagship schemes

Gains...

Percentage Increase in Flagship Schemes in Union Budget 2018-2019			
Programmes & Schemes	2017-18 (BE) Rs. Crore	2018-19 (BE) Rs. Crore	Percentage Increase
NRHM - RCH Flexible Pool	2454.42	2850.00	16.12
Sarva Shiksha Abhiyan	23500.00	26128.81	11.19
Mid Day Meal	10000.00	10500.00	5.00
National Bal Bhavan	18.00	20.00	11.11
Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	3830.00	4213.00	10.00
Pre-matric scholarship for children of those engaged in certain occupations	2.43	5.00	105.76
National Service Scheme	0.52	0.67	28.85
National Nutrition Mission	1100	2928.7	166.25
National/International Children's Film Festival	2.05	3.15	53.66
Exhibition of Children's Films in schools	0.74	1	35.14
National Programme for Youth and Adolescent Development	18	25	38.89
Nutrition (A&N Islands)	0.4	1.57	292.50
Assistance to adolescent girls and food to children	0.6	0.85	41.67
Deendayal Disabled Rehabilitation Scheme (Now under Department of Disability Affairs)	24	28	16.67
Aids and Appliances for Handicapped (Now under Department of Disability Affairs)	15	22	46.67
ATAL Mission for Rejuvenation and Urban Transformation (AMRUT)	60	120	100.00
Integrated Child Protection Scheme	648	725	11.88
Beti Bacho Beti Padhao	200	280	40.00

The only scheme of significant national importance that has seen a substantial increase is the National Nutrition Mission. Other important schemes witnessing an increase are the Integrated Child Protection Scheme (ICPS), the SSA, the Mid-day Meal Scheme and the RCH flexipool under the NRHM.

Since children constitute one segment of beneficiaries of the schemes for people with disabilities, it is difficult to state what proportion of the increase in budget for these schemes will reach children with disabilities. AMRUT is another scheme that is not child specific. While it recognises children's right to recreation, play and leisure, it is difficult to earmark what percentage of the increase in the budget for AMRUT will reach children. AMRUT proposes at least one park for use by children and senior citizens in 500 ULBs.

Loss:

Percentage Decrease in Flagship Schemes in Union Budget 2018-2019			
Programmes & Schemes	2017-18 (BE) (Rs. Crore)	2018-2019 (BE) (Rs. Crore)	Percent decrease
National Scheme for Incentive to Girl Child for Secondary Education (SUCCESS)	320.00	255.90	-20.03
Rajiv Gandhi National Creche Scheme	200	128.39	-35.81
World Bank ICDS-IV Project	400	71.3	-82.18
Funds for Children Corner	0.03	0.02	-33.33
Amenities to staff	0.3	0	-100.00
Improvement in working conditions of child/women labour [National Child Labour Project (name inserted in 2018-19 Statement)]	160	120	-25.00
Scheme for prevention of alcoholism and substance (Drug) abuse	6.9	5	-27.54
Welfare of Juveniles (A&N Islands)	6.46	0.99	-84.67
Scheme for welfare of working children in need of care and protection	2	0.01	-99.50
National Commission for Protection of Child Rights (NCPCR)	19	18	-5.26
Central Adoption Resource Agency	10.5	9	-14.29

- The scheme for prevention of alcoholism and substance (drug) abuse has witnessed a reduction of 27.54 per cent. Does the Centre really care about the Supreme Court's order to 'evolve a national action plan within six months to combat drug abuse amongst school children'³
- Crèches are provided for under certain schemes for CRPF, CISF, ITBP, SSB. As if only children of women in the organised sector need day care! The Rajiv Gandhi National Crèche Scheme (renamed as the National Crèche Scheme) was meant to cater to children of women in the unorganised as much as those in the organised sector. However, the budget for this scheme has seen a consistent decline year after year, the decrease being 35.8 per cent in 2018-19. Merger or convergence of schemes could be a possible reason as much as devolution of financial powers that expects the states to generate and invest their own resources. The question is at whose and at what cost?
- The National Commission for Protection of Child Rights (NCPCR) once again receives a reduced budget this year, even though it is over burdened with the responsibility of filling in data gaps on child rights issues, creating awareness programmes and materials on child rights, reviewing child related policies and laws, overseeing and monitoring the implementation of critical child related legislations. In *Re: Exploitation of Children in Orphanages in the State of Tamil Nadu Vs. Union of India & Ors. [Writ Petition (Criminal) No. 102 of 2007]*, judgement dated May 5, 2017, the Supreme Court noted, "it is obligatory on the part of the Union Government as well as of the State Governments to ensure that the provisions of laws enacted by Parliament are faithfully and sincerely

³ NDTV, Supreme Court Asks Centre To Curb Rising Drug, Alcohol Abuse In Children, December 14, 2016. Available at: <https://www.ndtv.com/india-news/supreme-court-asks-centre-to-curb-rising-drug-alcohol-abuse-in-children-1637744>

implemented and the statutory Commissions constituted under the provisions of the CPCR Act must be allowed to function as independent statutory bodies under the provisions of the said Act, the POCSO Act as well as the JJ Act”.

- The child labour law was amended in 2016 reducing the list of hazardous occupations to three categories and allowing most child labour to continue in the name of assisting their families in family based enterprises or working in agriculture or entertainment industry. Obviously therefore, budget for the National Child Labour Project has gone down by 25 per cent and the scheme for welfare of working children in need of care and protection witnesses a 99.5 per cent reduction.

Percentage Increase/Decrease in Schemes for the Welfare of SC/ST/OBCs and Minorities in Union Budget 2018-2019			
Programmes & Schemes	2017-2018 (BE) (Rs. Crore)	2018-2019 (BE) (Rs. Crore)	Percent increase & Decrease (BE)
Post Matric Scholarship for Minorities	550.00	692.00	25.82
Free Coaching and Allied Scheme for Minorities	48.00	74.00	54.17
Boys and Girls hostels for OBCs	4.00	5.00	25.00
Assistance to Voluntary Organisations for OBCs	1.50	5.00	233.33
Pre-matric Scholarship for OBCs	127.80	232.00	81.53
Pre-Matric Scholarship for SCs	45.00	125.00	177.78
Supply of free uniform, text books and other learning material to SC/ST Students(Renamed as Supply of Free Text books)	3.79	4.29	13.19
Umbrella Scheme for Education of ST Children	1635.07	1936.00	18.40
Incentive to children of vulnerable groups among Schedule Caste	0.04	0.1	150.00
Post matric scholarship schemes for SC	334.80	300.00	-10.39
Up-gradation of merit of SC students	2.00	0.01	-99.50
Assistance to voluntary organizations for SCs	10.50	5.00	-52.38

Allocations for Children from some critical Ministries...

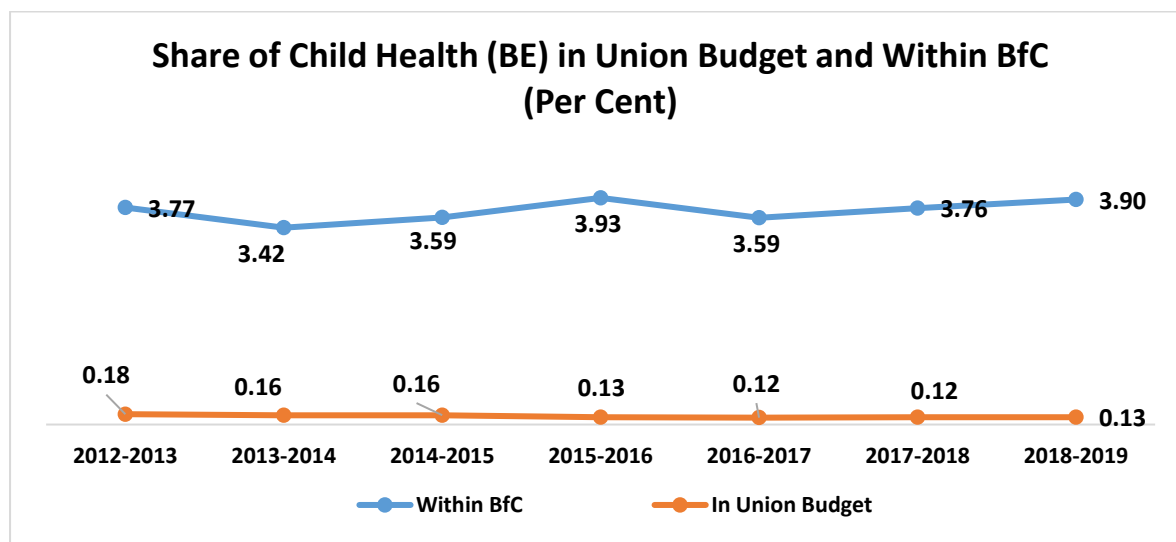
In Statement No. 12 of the Expenditure Budget 2018-19, the overall allocations for children related schemes/programmes have increased under the following four Ministries that have a strong and direct bearing on children’s rights:

- Ministry of Health and Family Welfare - increased by 15.27 per cent.
- Ministry of Social Justice and Empowerment - increase of 26.47 per cent after a 37.18 per cent decrease in 2017-18.
- Ministry of Women and Child Development - increased by 14.92 per cent.
- Department of School Education and Literacy - increased by 8.17 per cent.

PART B: SECTORAL ANALYSIS of ALLOCATIONS IN UNION BUDGET AND BfC 2018-19

Child Health

The Finance Minister in his speech said- only *Swasthya Bharat* (healthy India) can be *Sammridha Bharat* (Prosperous India). However, the share of allocations for child health in the budget does not reflect that. In fact, the share of child health in the union Budget has fallen over the years only to increase by 0.01 percentage point this year.



Within BfC, the increase in the share of child health is 0.15 percentage points.

The National Health Mission (NHM) consists of six major financial components, one of which is NRHM-RCH Flexi Pool. NRHM-RCH Flexi Pool has seen a consistent increase in allocations over the year with a 16.12 per cent increase in 2018-19 as compared to the Union Budget 2017-18. However, excluding the North East and UTs, in FY 2015-16, 90 per cent of budgets proposed by the states under the RCH Flexi pool were approved and in FY 2016-17, the approved budgets decreased to 84 per cent of those proposed.⁴

Can a small increase in the budget for child health help achieve the health goals for children?

India has come a long way in lowering the Infant Mortality Rate (IMR) from 57 in 2005-06 to 41 in 2015-16 and Under-five Mortality Rate from 74 in 2005-06 to 50 in 2015-16⁵. However, these figures continue to ring an alarm and need urgent attention.

⁴ "National Health Mission-2017-18"; Budget Briefs; Volume 9, Issue 4; Accountability Initiative, Centre for Policy Research

⁵ National Family Health Survey-4; National Statistics

The policy (National Health Policy, 2017) gives special emphasis to the health challenges of adolescents and long term potential of investing in their health care. The scope of Reproductive and Sexual Health should be expanded to address issues like inadequate calorie intake, nutrition status and psychological problems interalia linked to misuse of technology, etc.

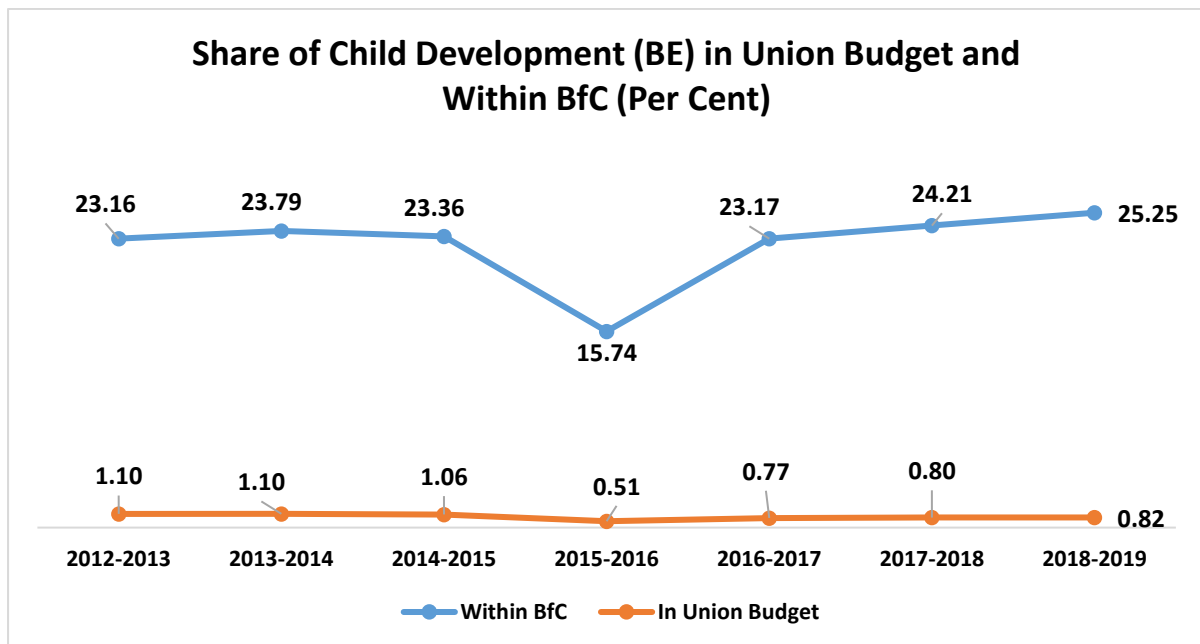
---National Health Policy, 2017

Adolescent health, despite finding a mention in the National Health Policy 2017, remains without any specific allocation and Statement 12 does not have any specific schemes dedicated to adolescent health.

Even as newspaper reports and media channels discuss and debate stories about increased involvement of younger children in violent crimes or the impact of child abuse, there is no specific allocation for children’s mental health care and treatment. Most child protection laws demand services of counsellors and other mental health professionals for children. In addition, there is new set of demands raised with the enactment of the new Mental Health Care Act of 2017.

CHILD DEVELOPMENT

Child Development has received only 0.82 per cent of the total Union Budget, which is an increase of 0.02 percentage points from the previous year.



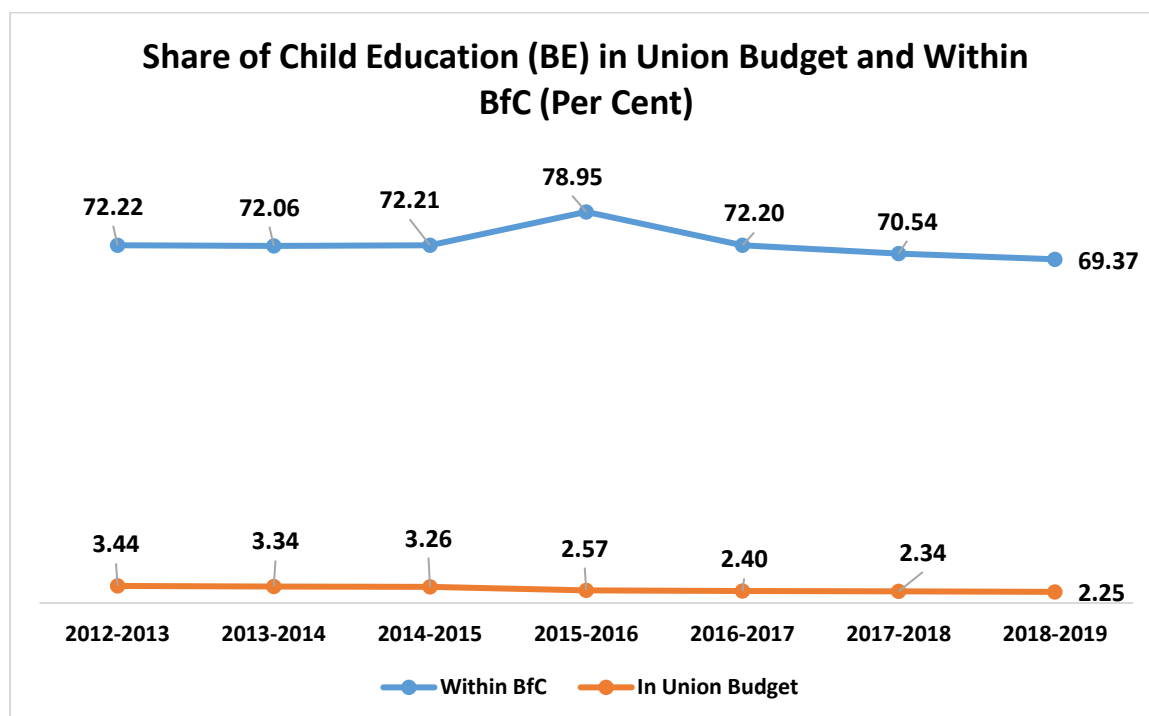
Integrated Child Development Scheme (ICDS), one of the oldest and flagship schemes to address the nutritional needs of children has observed only 7.15 per cent increase with a total allocation of Rs. 16334.88 Crore.

Keeping in line with the Swachh Bharat Abhiyan, special emphasis has been on providing toilet and safe drinking water facility at every Anganwadi Centre under the restructured Anganwadi Services Scheme. The scheme has been universalised with cumulative approval of 7076 projects and 14 lakh Anganwadi Centres (AWCs) including 20,000 anganwadis on demand.⁶ As per information available in the 2016-17 Annual Report of MWCD, as on 16.09.2015 from 12.45 lakh AWCs/ mini-AWCs, about 80.75% AWCs are running from the pucca buildings and remaining 19.25% from kutcha buildings; 30.78% running from Government owned buildings; 21.16% running from school premises; 5.03% running from Panchayat buildings; 33.31% running from rented including 6.93% from AWWs/ AWHs house; 8.89% running from others; 0.83% running from open space.

Child Development includes programmes aimed at addressing the nutritional needs of children in the age group of 0-18 years. The programmes under this sector are crucial for the overall development of children starting from the newborn child to the adolescent children. In fact a 100% increase in the allocation for National Nutrition Mission accounts for the major proportion of increase in the allocations for child development.

CHILD EDUCATION

The total allocation for education (elementary and secondary) is Rs. 54864.64 Crores, which is an increase of Rs. 4564.11 Crores, though as percentage share of Union Budget as also the BfC, it shows a decrease that can be seen in the graph below. This despite increase in allocations for Sarva Shiksha Abhiyaan and Rashtriya Madhyamik Shiksha Abhiyaan.



⁶ Economic Survey 2017-18; Chapter 10

It is heartening to see the emphasis given by the Finance Minister to improving quality of education.

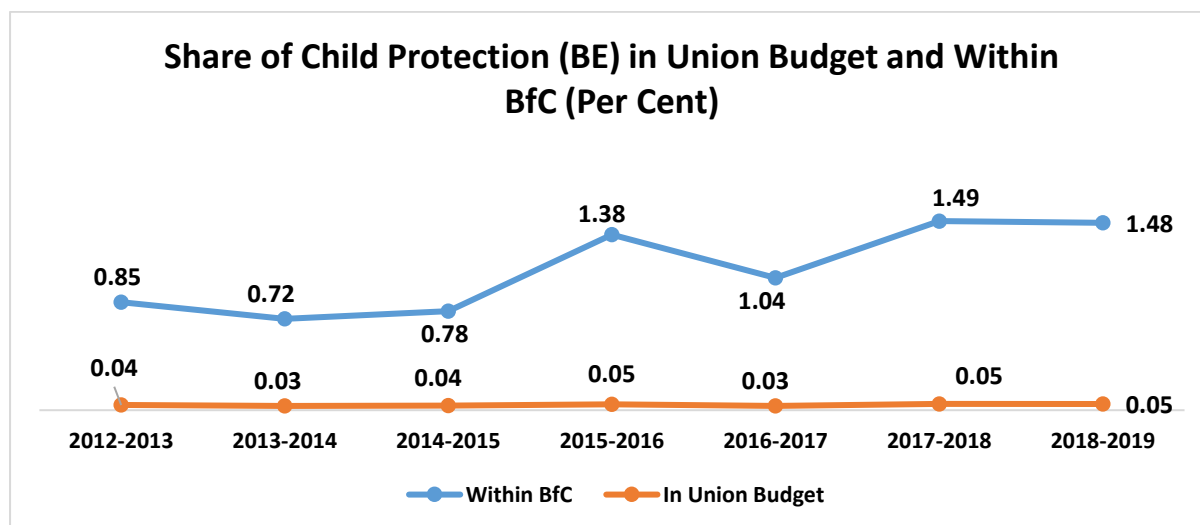
There is an 11.2% increase in the allocation for Sarva Shiksha Abhiyaan. It would be pertinent to ask how much of this will come from the increased cess (now 4%) and how much will be from the government’s existing resources?

The 10% increase in Rashtriya Madhamik Shiksha Abhiyaan (RMSA) is important but perhaps not sufficient in the light of the findings of the ASER report this year, which has concentrated on the 14-18 year age group and found⁷:

- About 25% of this age group still cannot read basic text fluently in their own language.
- 53% of all 14 year-olds in the sample can read English sentences. For 18 year-old youth, this figure is closer to 60%. Of those who can read English sentences, 79% can say the meaning of the sentence.
- Even among youth in this age group who have completed eight years of schooling, a significant proportion still lack foundational skills like reading and math.
- The enrollment gap between males and females in the formal education system increases with age. There is hardly any difference between boys’ and girls’ enrollment at age 14; but at age 18, 32% females are not enrolled as compared to 28% males.
- A substantial proportion of youth in the 14-18 age group are working (42%), regardless of whether they are enrolled in formal education or not. Of those who work, 79% work in agriculture – almost all on their own family’s farm. Also, more than three quarters of all youth do household chores daily – 77 % of males and 89% of females.

There is only a very small increase of 5% in the **Mid-day meal scheme**.

CHILD PROTECTION



Child Protection has always remained the lowest funded amongst all rights of children. It took two five year plans to bring attention to child protection and for the government to design and adopt the Integrated Child Protection Scheme (ICPS). Now, in its efforts to 'rationalise' the child centric schemes, ICPS has been merged with ICDS taking away the spot light from child protection.

The 11.9% increase in the Child Protection Scheme (ICPS) is indeed welcome. However, while the idea of having a comprehensive child protection scheme was to ensure dedicated human financial and infrastructural resources to meet the child protection goals, "rationalisation" of ICPS under Umbrella ICDS has once again given scope for dilution of the commitments to child protection. Experience in the states is showing how the ICDS staff are given the additional responsibility of implementing child protection services under ICPS.

National Plan of Action for Children, 2016...

The National Policy for Children 2013 (NPAC) identified protection as one of the four key priority areas. In alignment with it, the objective under NPAC 2016 is to "create a caring, protective and safe environment for all children, to reduce their vulnerability in all situations and to keep them safe at all places, especially public spaces."

SGD Goal 16...

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Target 16.2 specifically talks about ending abuse, exploitation, trafficking and all forms of violence against and torture of children.

State of child protection: a glimpse...

- There has been a 13.6% increase in crime against children between 2015 and 2016.
- In percentage, major crimes against children during 2016 were kidnapping & abduction (52.3%) and cases under the Protection of Children from Sexual Offences Act, 2012 (34.4%).
- Maximum number of cases under crime against children were reported in Uttar Pradesh, Maharashtra and Madhya Pradesh (15.3%, 13.6% and 13.1% respectively).
- A total of 1,11,569 children (41,175 males and 70,394 females) were reported missing in which maximum children were reported missing from West Bengal (16,881 children - 4,595 males and 12,286 females) followed by Delhi (14,661 children - 6,125 males and 8,536 females) and Madhya Pradesh (12,068 children - 3,446 males and 8,622 females) during 2016.
- Out of total 1,11,569 missing children during the year 2016, a total of 55,944 children (20,364 males and 35,580 females) were traced and 55,625 children (20,811 males and 34,814 females) were untraced at the end of the year (including previous year).

Will "rationalisation" help in achieving these goals and addressing the concerns?

This year, the Finance Minister presented the Union Budget 2018-19 to the country as the budget for #NewIndia.

Amidst some positives in the Budget for Children there remain concerns as to whether India's 37% children (below the age of 18 years) truly form a part of this New India.