

Budgeting for Happy Childhood

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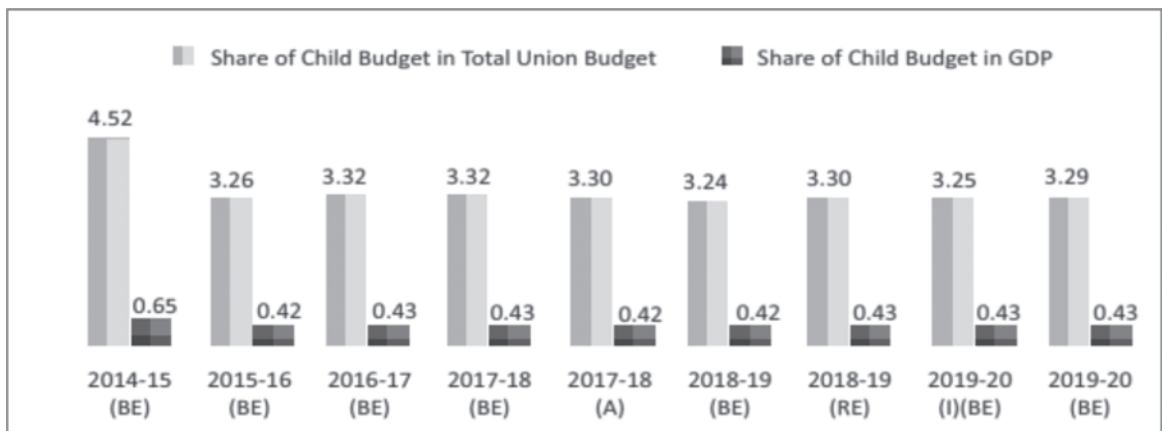
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Budget and Children

There has been a budgetary outlay earmarked by the government for policies and schemes towards the upliftment of children, who constitute approximately 39 percent of the total population. For instance, during the 11th Five Year Plan (FYP), the total expenditure on children related schemes was around Rs. 202,819.6 crores. The 12th FYP (2012-17) recognised the urgency and importance of addressing the vulnerabilities of children in India's population. Despite the recognition of child budgeting in the Five-year Plan documents, the share of child budget in the Union budget has never been more than five percent. Moreover, this allocation has always been tilted in favor of educational schemes/policies for children. Sarva Shiksha Abhiyan (SSA), Mid-Day-Meal (MDM), *Rashtriya Madhyamik Shiksha Abhiyan* (RMSA), *Kendriya Vidyalayas Samiti* and *Kendriya Vidyalayas Sangathan* (KVS) are major educational schemes related with children which appropriate more than 70 percent of total child budget each year.

Chart 1: Total Budget Expenditure on Child Focused Schemes (in %)



According to the government’s Combined Reportⁱ on the Committee on the Rights of the Children (CRC), 2011, "many of the outcome indicators for children point to the disadvantaged status of children; the proportion of Child Budget in the Union Budget seems inadequate."ⁱⁱ Data shows that there has been an improvement in some of the outcome indicators of children's well-being, however, in others, children continue to lag. It must be noted that children’s needs are specific to their area, socio-economic group, and age; and accordingly, require a variety of interventions.

In 2014, BJP government in its election manifesto promised: "to address the issues related to children, like malnutrition and under-nutrition, the problem of child labour, child-trafficking, and missing children, sexual abuse, school dropouts and the increasing crime rate among juveniles."ⁱⁱⁱ . Union Budget 2015-16 is the first full-fledged budget presented by the new government. The budget priority must match the incumbent. However, after coming to power, although the government fulfilled the routine earmarking of allocation, the quintessential perspective of the state has been to look at children as future labour, which must be skilled for ‘Make in India’. In spirit, the current understanding bypasses the survival, protection, and other concern of children. It envisages them as the readymade constituent for “*tod, fod, jod*”.^{iv}

There also have been substantial changes in the share of budgetary allocation from 2015-16 onward between Centre and state. Earlier, funding pattern was 75:25, which changed to 60:40.^v After the acceptance of the Fourteenth Finance Commission

recommendation to devolve

Central Taxes from 32 percent to 42 percent, the budgetary allocation appears less in the social

Box 1: Some Important Schemes for Children under newly defined Categories

Centre Sponsored Scheme (60:40 ratio)	Central Sector Scheme (100 % Central Fund)	Delinked Schemes
ICDS	Incentive to Girl Child for Secondary Education	None
ICPS	NCLP	
SAA		
MDM		
National Educational Mission		
BBBP		

Source: Expenditure Profile, Statement 12, 2019-20

sector. It does get reflected in child budgeting where ICDS, MDM, SSA and other vital schemes have lower allocation. For instance, the total child budget in 2015-16 (BE) is Rs. 57918.5 crore whereas it was Rs. 81075.2 crore in 2014-15 (BE). In 2017-18, the actual expenditure was Rs. 70705.8 crore, lower than 2014-15 (BE) allocation. Next year i.e. in 2018-19 (BE), total allocation for children was Rs.79090.35 crore. In 2019-20 (BE), the allocation has gone up to Rs. 91644.29 crore. But, table 1 reveals that the share of Child Budget as a proportion of GDP has remained almost stagnant at 0.43 percent over the last five years.

But, the Union Budget does use a caveat that ‘states are going to contribute to the schemes related to children from their enhanced resources...the total resources will remain unaffected’. It changes need to be looked at critically. CBGA’s (2015-16) analysis argues that “...a deeper examination of the amount of increased devolution provides a clearer picture of the status of overall resources being transferred to the states. Table 1 below shows that while the states' share in central taxes and Non-plan grants as share of GDP does show an increase, the total Union resources reveals a decline from last year's budgeted expenditure. It, therefore, implies that while the states would enjoy a greater degree of autonomy and flexibility in terms of deciding on their expenditure priorities, it does not necessarily imply an increased spending capacity for the states. Thus the Union government's argument for reducing total expenditure as a result of increased devolution to states remains unconvincing.”^{vi}

Table 1: Composition and structure of transfer of resources to states (In Rs crore)

	2014-15 BE	2015-16 BE	2018-19 BE	2019-20 BE
States share of taxes and duties	382216	523958		
Non-Plan grants and loans to states	70019	108630		
CA to States	329712	195778		
Total Union Resources transferred to States*	781947	828366	1269435[^]	1329428[^]
GDP at current market prices (2011-12 series)	12653762	14108945		
States share of taxes and duties as % of GDP	3	3.7		
Non-Plan grants and loans to states as % of GDP	0.6	0.8		
CA to States as % of GDP	2.6	1.4		
Total Union Resources transferred to States as % of GDP	6.2	5.9	6.6	6.3

Note: *Total union resources comprise of states' share in central taxes, non-plan grants, CA to state, Assistance for Central and centrally sponsored schemes. ^ The amount includes an allocation for Union Territories as well.

Source: Compiled by Author and CBGA from Union Budget documents for various years

Looking at table 1, latest years' allocations, we found that in 2018-19 (RE) and 2019-20 (BE) there has been a marginal increase in total union resource transfer to the states and Union Territories. As this devolution of the fund to the states is untied in nature, Outlays on child welfare would depend on the priority that the states accord to this area and the Union government would not have any control over it

Birth Registration:

Defining the term 'child' is a very important issue as the question of children's rights is intricately linked with it. Currently, child rights groups are debating the question of, 'when a child'. Many argue that the time of conception should be considered as the age of a child. The new scientific evidence points out the brain development of a child during the prenatal period. Accordingly, the provision of sufficient nutritional food to a pregnant woman is linked with the rights of children. There is a need to recognize these rights before the child is born. The citizenship rights come with birth and not before it. Hence, birth registration is the first right of a child, which establishes his/her identity. Birth and death registration have been made compulsory in India, since the 1969 Act. In National Action Plan for Children (2005) 100 percent birth registration was one among the 12 goals. Vital Statistics of India (2010) revealed that there has been an improvement in birth registration from 8.6 million in 1981 to 21.4 million in 2010.^{vii} In 2015-16, 88.6 percent was registered birth, whereas in 2016-17 it came to 86 percent.^{viii} However, 35 percent of the total registered births are still non-institutional. And, according to the UNICEF report, "nearly one in three unregistered children live in India."^{ix} Lack of full-time staff at various levels was the prominent factor affecting the registration and institutional delivery.^x

Budget for Survival

Post-birth, survival is another issue Indian children are grappling with. The 12th FYP (2012-17) suggests several policies and programmatic interventions to deal with the gaps existing at the end

of the 11th FYP. It puts forth monitorable objectives – reduction of IMR to 25; under-nutrition to 27 percent by 2017 – for the ongoing Plan period. A large number of children die every year from preventable diseases and infections.

Table 2: Selective Health Indicators related to Children, India

	Hindu	Muslims	Christian	Sikhs	Budd/N-B	Jain	Others
No Post-Natal Check-up of new-born within 2 days	63.7	66.7	61.1	47.2	59.2	70.4	53
Children age 12-23 months receiving all necessary vaccinations	63	55.4	61.7	88.9	55.9	63.7	69.1
Health advise or treatment sought for children under 5 with ARI	77.9	78.5	72.2	92.1	82.8	100	32.9
No treatment of Children suffering from Diarrhea	18.2	16.8	19.5	6.7	6.9	4.2	24.4
Prevalence of Any Anemia 6-59 months children	58.7	59	44.8	56.3	56.6	53	68.4

Source: NFHS 4, 2017

As per the government report in 2017, the Infant Mortality Rate (IMR) in India is 33.^{xi} Over 1,00,000 children, below the age of 11 months, die of diarrhea annually in India which is the second leading killer of young children globally, after pneumonia.^{xii} Water borne diseases and Acute Respiratory Infections (ARI) are also a serious concern. Similarly, the rising incidence of tuberculosis in infants and young children needs acknowledgment and higher investment. In 2015-16 (BE) total allocation for child health is Rs. 2279.5 crore. In 2017-18 (BE) the share of allocations for schemes related to the health of the children is 3.8 and 3.9 percent of the total child budget for 2017-18 (BE) and 2018-19 (BE) respectively.

Another disease that has direct and indirect effects on children is AIDS. “The Government of India estimates that about 2.40 million Indians are living with HIV...Children (<15 yrs) account for 3.5% of all infections”.^{xiii} The Government is committed to eliminating new HIV infections among children by 2015 through the Prevention of Parent to Child Transmission of HIV/AIDS (PPTCT) program started in 2002. However, the policy of targeted intervention goes against children with AIDS who have not even been marked as a target group. The target groups only include transgenders, female sex workers, truck drivers, man sex with man, drug users (unsafe injection).

Further, there is a lack of resources to treat children affected by AIDS. Department of AIDS Control under the Ministry of Health and Family Welfare issues grant-in-aid to state AIDS control societies which also have the provision for ‘Integrated Counselling & Testing facilities including prevention of Parent to Child Transmission’. Under this head, Rs. 928 crore was allocated in the year 2013-14 (BE) which has remained the same in 2014-15 (Interim Budget) and 2014-15 (BE). In 2015-16 (BE) total allocation is Rs. 540 crore. Out of this how much fund is used specifically for children is not known. Nevertheless, this is a preventive measure to protect the transfer of AIDS to children. The budgetary provision for a curative measure to heal the children affected with AIDS, 7 percent of total infected population^{xiv}, is missing. Also, there is no special care and support centre for children affected by AIDS.^{xv}

Development Concern

Hence, there is an urgent need to strengthen existing health systems and raise funds earmarked for child health. Although fund devolution has been initiated aggravated health situations of children will pose serious challenges to the spending capacity of states. Given the weak health system, children are living in, one cannot assure and achieve their all-round development. The Government has initiated some efforts in the area of child health, for example through the Integrated Child Development Scheme (ICDS).

Table 3: Integrated Child Development Scheme (Rs. In Crore)

Scheme	2013-14	2014-15	2015-16	2016-17 [^]	2017-18 [^]	2018-19 [^]	2019-20 [^]
	Actual	Actual	Actual	Actual	Actual	RE	BE
ICDS	16362.56	16629.49	15489.32	14632.27	16048.17	20951.49	23234.37

Source: Expenditure Budget, Volume 2, of the Ministry of Women and Child Development and the Child Budget Statement, Expenditure Budget, Vol. 1, Union Budget, various years. [^] Amount includes core ICDS and National Nutritional Mission.

NOTE: Inclusive of the allocations for the North Eastern Region

Table 4: Year-wise Crime against Children in Top Five States

State	2014	2015	2016	% State share to All India	Rank based on Incidence/% Share (2016)
Uttar Pradesh	14835	11420	16079	15	1
Maharashtra	8115	13921	14559	13.6	2
Madhya Pradesh	15085	12859	13746	12.9	3
Delhi	9350	9489	8178	7.6	4
West Bengal	4909	4963	7004	6.5	5
INDIA	89423	94172	106958		

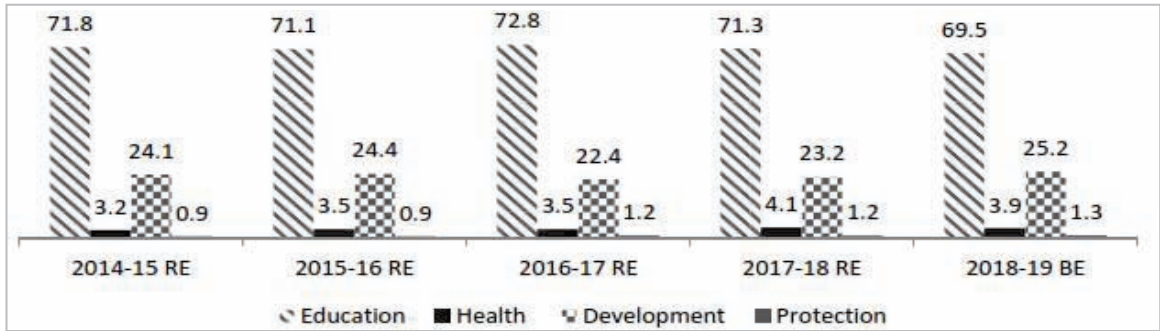
Source: NCRB, 2016. Note: The figure includes IPC and Special and Local Laws (SLL)

There was a jump of 52 percent in the crimes against children in 2013-14. The absolute number was 58,224. Rape and abduction cases have seen a sharp increase. Incident of procurement of girls has increased. "In terms of rate of crimes against children, the NCRB data shows that the rate of over-all crimes against children in all cities increased from 3.3 to 5.2 per 1, 00,000 from 2004–06 to 2010–12. Except for Ahmedabad and Hyderabad, the rest of the cities experienced an increase in the rates of crimes against children during this period. The rate of total crimes against children is reported to be the highest in Delhi with an increase from nine per 1,00,000 in 2004–06 to 22.3 per 1,00,000 in 2010–12."^{xviii} There are 44,000 missing children every year; 11,000 remain untraced. Crime against children spiked further in the coming years (Table 4). In 2016, NCBR data show total crime against children rose to 106,958. This is an 83.7 percent rise as compared to 2013-14 data.

Demand for domestic labour, human organ trade, and incidence of sexual exploitation are the immediate reasons for human trafficking. However, the factors that are at the root of the problem are the rising inequality, social tension and unplanned urbanisation which are the inherent product of the globalisation. United Nations (2006) noted that "The social exclusion experienced by low-income urban populations in all regions has been exacerbated by trends at the international level. The rapid pace of social and political change, and economic globalization – the adoption of domestic deregulation, trade liberalization, and privatisation of services, a policy paradigm which was introduced in the 1980s and intensified in the 1990s – has had enormous impacts on society generally, including on children's well-being... the majority of the least well

off have suffered a widening gap in economic exclusion. Low-income rural people in 60 countries surveyed in the World Bank’s 2000 *Voices of the Poor* Study stated that life had become less secure, more marginal, and more threatened in recent decades...”^{xix}

Chart 2: Sector-wise composition of Child Budget (in %)



Source: CBGA, Of Hits and Misses, 2018-19

Union government has a few schemes to protect children from harmful activities, both intentional and non-intentional. Child protection remains to be a low priority for the government in spite of several incidents being reported of children experiencing violence, and various forms of abuse (Chart 2). Allocation for child protection schemes and programmes has never been prioritised within Child Budget. In 2015-16 (BE) total allocation for child protection schemes is 726.9 crore, which has gone down to Rs. 497 crore as an actual expenditure. In 2018-19 (BE) the allocation went up to Rs. 925 crore, which has further seen a steep allocation of Rs. 1500 crore in 2019-20 (BE) (table 5). These allocations are insufficient for universalisation of ICPS in all districts with the provision of adequate infrastructure and human resources. Slow and tardy implementation of ICPS can also be attributed to the poor working conditions of the functionaries implementing the scheme. These functionaries are appointed on a contractual basis, and their salaries are often delayed by months, leading to high levels of attrition and weak implementation of the scheme. In February 2014, the Cabinet Committee on Economic Affairs approved the continuation of ICPS in the XII Plan with enhanced financial norms - the budget was Rs. 3000.3 crore (for five years), which included a Central share of Rs. 2,350 crore and State share of Rs.650.33 crore. A revision of the ICPS norms implies the need for additional resources^{xx}.

Table 5: Major Schemes for Child Protection (in Rs. crore)

Schemes	2014-15 (AE)	2015-16 (AE)	2016-17 (AE)	2017-18 (AE)	2018-19 (RE)	2019-20 (BE)
NCPCR			14.96	12.61	17.83	18.0
ICPS	446	497	577	637.81	925	1500
Scheme for Prevention of Alcoholism & Substance (Drug) Abuse	0	36.15	47	48.97	80	130

Source: Union Budget, various years.

The protectionist approach is also needed a perceptive policy and budgetary outlays to enable such an environment where no children have to go to work before the stipulated age. India still has a large number of working children. Yet, the only scheme of the Union Government featuring in Statement 22 (Budget Provisions for Schemes for the Welfare of Children) for addressing child labour, 'Improvement in working Condition of Child Labor/Women labor', witnessed a decrease of 12.5 percent at the allocation stage. In 2014-15 (BE), Rs. 175 crore was earmarked for this scheme and is not justified in the light of the fact that about 10.12 million children in the country are still engaged in different occupations.^{xxi} Nevertheless, the 2014-15 actual expenditure was merely Rs. 102.34 crore (table 6). In 2015-16 (BE) total allocation for the schemes is Rs. 250 crore. It comes to Rs. 247 per child labour annually.

The government has tabled a bill that calls for an absolute ban on all forms of child labour for up to 14 years. To achieve this, the government must allocate financial resources that enable these children to be rehabilitated. However, table 5 shows that no attention has been paid for the welfare of working children in need of care and protection (table 6).

Table 6: Budgetary Allocation for the Schemes against Child Labour under various Ministries of Govt. of India

(In Rs. Crores)

Ministry	Scheme	2014-15 (AE)	2015-16 (AE)	2016-17 (AE)	2017-18 (AE)	2018-19 (RE)	2019-20 (BE)
MoL& E	Improvement of Working Conditions of Child / Women	102.34	NA	NA	NA	NA	NA

^{xv} Lok Sabha, Unstarred Question No. 3411, Answered on 12 December 2014, Ministry of Health and Family Welfare,

^{xvi} investment in construction of more than 2 lakh *Anganwadis*; more than 2700 new technical human resource; more than 4.5 lakh additional *Anganwadi* workers/nutrition counsellors/link workers; 70,000 *Anganwadi* cum crèches; improved supplementary nutrition, intensive monitoring, training, and capacity building; greater convergence and linkages with other sectors

^{xvii} Economic Survey of India 2012-13

^{xviii} Shivani Satija and Amrita Datta, 'Crime against Women and Children in Delhi', *Economic and Political Weekly*, Vol. L, No.9, 2015.

^{xix} Paulo Sergio Pinheiro, '*World Report on Violence against Children*', United Nations, ATAR Roto Press, Geneva, 2006.

^{xx} norms have been enhanced for, construction (` 1000/sq.ft. from ` 600/sq.ft. earlier); maintenance grant in homes, open shelters, specialized adoption agencies from existing ` 750 per child per month to ` 2000 per child per month; salaries as well as other recurring administrative costs^{xx}.

^{xxi} This includes 'main' and 'marginal' workers in the age group of 5-14 years as per Census 2011

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