Women’s Component Plan and Gender Budgeting in India: Still a Long Way to Go!

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The discourse on analysing public expenditure in India from the gender perspective is usually traced back to the Report of the Committee on the Status of Women (titled “Towards Equality”) brought out by the Government of India in 1974. This Report pointed out that the development trajectory of the country had adversely affected a large section of women and created new imbalances and disparities. The consciousness generated by this Report led to changes in policies towards development of women in the Fifth Five Year Plan. However, it was only in the Seventh Five Year Plan (1985-90) that specific attention was paid to allocations for programmes/schemes which directly benefited women. The adoption of Women’s Component Plan (WCP) is also traced back to the Seventh Plan which witnessed the initiation of a mechanism for identifying and monitoring schemes that extended benefits directly to women. In 1986, the Department of Women and Child Development (DWCD), under the Central Government’s Ministry of Human Resource Development, was entrusted the responsibility of monitoring 27 beneficiary oriented schemes under various sectors which directly benefited women. The present article focuses on the implementation of Women’s Component Plan (WCP) and Gender Budgeting by the Central Government in India. It attempts to highlight the sluggish implementation of WCP by Central Ministries and the currently existing inadequacies in information required for operationalising Gender Budgeting by the Central Government. We recognize that quantifying budget allocations and expenditures on schemes, in which either the entire allocation or a part is meant specifically for women, is only the first step in the efforts towards achieving a gender responsive development trajectory. However, it is a crucial step since quantifying budget expenditures meant specifically/substantially for women can be very useful in holding the governments at different levels accountable for their policies and performance from a gender perspective.

**Adoption of WCP and Gender Budgeting by the Central Government**

As already mentioned, the notion of WCP had entered the planning process in the Seventh Plan with the initiation of a special mechanism to monitor 27 beneficiary oriented schemes for women. However, the Ninth Five Year Plan (1997-2002) marked a significant progress in this regard. The notion of WCP, as it was adopted in the Ninth Plan, earmarked a clear, unconditional minimum quantum of funds/benefits for women in the schemes run by all Ministries/Departments that were perceived to be “women-related” and thereby recognized that prioritizing financial resources for programmes/schemes for women is critical for women’s empowerment. Under WCP,

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both Central as well as State Governments were required to ensure that “not less than 30 per cent of the funds/benefits are earmarked for women under the various schemes of the ‘women-related’ ministries/departments”. There is no explanation, however, on how the Planning Commission arrived at this particular figure of 30% under the WCP, at least not in any of the government reports/documents available in the public domain. We shall briefly discuss the implementation of the WCP during the Ninth and Tenth Plan period in the subsequent section.

The notion of WCP was a precursor to the adoption of Gender Budgeting, which represents a much broader and profound approach towards ensuring gender responsive budgets and public policies. Gender Budgeting is widely regarded as an approach of looking at the budget formulation process, budgetary policies and budget allocations, and implementation of those policies from the gender lens. Gender Budget, with regard to the Central Government or any State, does not refer to a separate budget for women; rather it is an analytical tool which scrutinizes the government budget to reveal its gender-differentiated impact and advocate for greater priorities for programmes/schemes directly benefiting women and better implementation of such programmes/schemes. Gender Budgeting is concerned not only with public expenditures but also with the gender-differentiated impact of revenue mobilization by the government. In fact, Gender Budgeting, as an approach, is not confined to budgets alone; rather it covers analysing various economic policies from the gender perspective. On the other hand the domain of WCP is restricted only to Plan allocations by the Ministries/Departments, and WCP provides a benchmark to assess the performance of Ministries/Departments in prioritizing Plan resources for schemes which benefit women. However, information on implementation of WCP by the various Ministries/Departments can play an important role in operationalising Gender Budgeting, depending on the methodology adopted for the latter. As we shall briefly discuss in one of the subsequent sections, the methodology of Gender Budgeting adopted by the DWCD (which has now become a separate Ministry, called Ministry of Women and Child Development) does indeed require information on WCP implemented by the Ministries/Departments at the Centre as also in the States.

The Tenth Five Year Plan (2002-07) marked another significant step forward as it envisaged “immediate action in tying up these two effective concepts of WCP and Gender Budgeting to play a complementary role to each other, and thus ensure both preventive and post facto action in enabling women to receive their rightful share from all the women-related general development sectors”. The need for taking up Gender Budgeting was also recognized in the National Policy for the Empowerment of Women, 2001, which observed “Availability of adequate financial, human and market resources to implement the Policy will be managed by concerned Departments...” and that this process will include, among other initiatives, “Assessment of benefits flowing to women and resource allocation to the programmes relating to them through an exercise of gender budgeting.” In this scenario, the DWCD led the initiative for Gender Budgeting at the level of Central Government, an important element of which was the commissioning of a Gender Budgeting study to the National Institute of Public Finance and Policy (NIPFP). In the Economic Survey for 2000-01, for the first time a separate section on Gender Inequality was included in the chapter on Social Sector. Subsequently, the gender budget
analysis of Union Budgets done by the NIPFP was incorporated in the Annual Reports of the DWCD. Later on, in the Union Budget for 2005-06, a separate statement on Gender Budgeting was included for the first time, which covered the budget allocations under 10 demands for grants. Union Budget for 2006-07 took this exercise forward, as it presented a Gender Budgeting statement covering 24 demands for grants (under 18 Ministries/Departments of the Central Government). Over the last couple of years, the DWCD has also conducted workshops on Gender Budgeting at the national and State levels and pushed for operationalising Gender Budget cells in the Central Government Ministries/Departments. In fact, as reported in the *Outcome Budget 2006-07* of the Ministry of Women and Child Development, Gender Budget cells have been set up in 40 Central Ministries with the primary objective of focusing on flow of funds and benefits to women and to improve the gender sensitivity of the programmes and schemes.

**Implementation of Women’s Component Plan**

The information compiled by the Planning Commission on implementation of WCP by the Central Ministries during the Ninth and Tenth Five Year Plans presents a rather disturbing picture. *Report of the Steering Committee on Empowerment of Women and Development of Children for the Tenth Five Year Plan (2002-07)*, brought out by Planning Commission in October 2001 (henceforth, referred to as the Steering Committee Report), indicated that the Departments had in most cases included the figures for women specific schemes as the WCP inputs while some Departments had declared that their schemes were gender neutral. This Report stated that although 12 Central Ministries/Departments and 4 State Governments had confirmed their efforts to implement WCP, it had not been possible to precisely quantify allocations under WCP. Based on its perusal of the implementation of WCP during the Ninth Plan period, the Steering Committee Report had stressed that “the concept of the Women’s Component Plan must not be abandoned or weakened merely because it was not operationalised effectively”.

It is worthwhile to take note of the figures reported in the Tenth Five Year Plan document with regard to the magnitude of Plan allocations by Central Ministries flowing to their WCP during the Ninth Plan period (1997-2002). The information presented in the Tenth Plan document (Chapter 2.11 Women and Children, page 227, Tenth Five Year Plan) in this regard indicated that the total magnitude of Plan allocations flowing to WCP from DWCD (shown as the only Women-Specific Department) and 15 other women-related Ministries/Departments (which included Health, Family Welfare, Education, Labour, Rural Development, etc.) of the Central Government constituted Rs. 51,942.5 crore, which was 25.5 % of the Gross Budgetary Support (GBS) of the Central Government for the Ninth Plan. The allocations under WCP as a proportion of GBS of the Ministry/Department (for the entire Ninth Plan period), in the above mentioned data, was as high as 70 % for Department of Family Welfare, 50.4 % for Department of Health and 50 % for Department of Indian Systems of Medicine & Homeopathy. However, the methodology through which these figures were obtained has not been put in the public domain. It is not clear whether these Departments undertook benefit incidence analysis to arrive at the figures for their respective WCPs. Moreover, the entire GBS of DWCD for
the Ninth Plan (at Rs. 7,810.4 crore) was shown as its flow to WCP for the Ninth Plan. It is worthwhile to note here that Steering Committee Report (October, 2001) had observed that “The share of women specific programmes constitute a fraction of the total fund allotted to the DWCD. During the financial year 2000-01, out of the total expenditure of Rs. 1335.9 crore in the Department, expenditure on women specific programmes was only Rs. 115.7 crores. This constituted a meager 8.57%”. Also, the Tenth Plan document (in Chapter 2.11 Women and Children, page 253) observed that “the Tenth Plan also takes note of the over-riding priority given to the programmes of child development and the resultant intra-budgetary imbalances that exist today within the budget of the nodal Department of Women and Child Development and suggests to rectify the same through a much more balanced distribution of resources between ‘Empowerment of Women’ and ‘Development of Children’- the two major responsibilities entrusted to it”. Thus, we find that the Planning Commission’s assessment presented in the Tenth Plan document seems to have overestimated the Plan resources actually flown to WCP by the Central Ministries during the Ninth Plan.

However, the picture with regard to implementation of WCP during the Tenth Plan, as it emerges from the Planning Commission’s Mid-Term Appraisal of the Tenth Five Year Plan (2002-07), is even worse. The Mid-Term Appraisal of the Tenth Plan (henceforth, MTA), brought out in 2005, stated that “most of the ministries and departments designated as women-related have not separately provided the women’s component and hence cannot be evaluated on their WCP”. The MTA reported that while the Department of Education had confirmed a flow of funds of 42.37% of its Gross Budgetary Support to the WCP during the Tenth Plan years, the Ministry of Labour, which had earlier reported a flow of 33.5% of its GBS to the WCP in Ninth Plan, reported a flow of only 5% of its GBS to the WCP in the first three years of the Tenth Plan. The MTA also revealed that the Ministries/Departments of Agriculture and Cooperation, Urban Employment and Poverty Alleviation, Science and Technology/Biotechnology, Information and Broadcasting, Non-Conventional Energy Sources and Small-scale and Agro-related Industries, which had earlier reported on the WCP in their sectoral budgets, had stopped doing so during the Tenth Plan years.

**Gender Budgeting by the Central Government**

As mentioned earlier, the DWCD, in collaboration with UNIFEM, had commissioned the National Institute of Public Finance and Policy (NIPFP) to analyse the Union Budget for 2001-02 from the gender perspective. This study (A. Lahiri, L. Chakraborty and P.N. Bhattacharyya, “Gender Budgeting in India: Post-budget Assessment Report”, NIPFP, August 2001) identified three categories of public expenditure on women from the Union Budget. With regard to this study, Nirmala Banerjee and Maithreyi Krishnaraj (“Sieving Budgets for Gender”, Economic and Political Weekly, October 30, 2004) observed that although the analysis done by NIPFP developed a useful model for a gender-wise segregation of government expenditure it did not convey anything about the possible impact of that expenditure on gender relations, and also, it did not incorporate sufficient awareness of the findings in women’s studies. Nonetheless, the NIPFP study developed a model for Gender Budget analysis of Union Budget which was not only useful and
logical but also something that could be replicated in the States with the help of relevant information. The three categories of budget expenditure on women identified by this NIPFP study are: (1) Expenditure on programmes/schemes specifically targeted to women and girls, (2) Pro-women allocations; which are the composite expenditure schemes with an earmarked component for women and (3) Mainstream public expenditure that have a gender-differential impact. The study found that the first category accounted for an amount of Rs. 3,260 crore out of the total budget outlay of Rs. 3,75,223 crore; and the second category accounted for Rs. 10,596 crore. With regard to the third category, the study made only an illustrative analysis of expenditure on elementary education due to the lack of gender disaggregated data on beneficiaries of most mainstream programmes and services. While capturing the precise magnitude of budget expenditure on programmes/schemes which are targeted to women and girls (from the Budget documents) is straightforward, the same in case of composite expenditure schemes with only a component for women is rather complicated. With regard to the second category, the methodology used in the NIPFP study depended significantly on the information compiled by DWCD regarding the status of implementation of WCP by different Central Ministries/Departments. In fact, for those Ministries/Departments, for which the DWCD did not have precise information on WCP, the NIPFP study assumed the flow to WCP from Gross Budgetary Support of the Ministry/Department to be 30%. However, as we have already discussed, during the first three years of Tenth Five Year Plan, most of the Central Ministries/Departments had stopped reporting on implementation of WCP. Therefore, in the absence of comprehensive and precise information regarding implementation of WCP by Central Ministries/Departments, it is not possible at the present to replicate the NIPFP methodology for a Gender Budget analysis of even the Union Budget for any of the most recent years.

It may be worthwhile to note here that the Central Government had constituted an Inter-Departmental Committee in November 2004 to carry forward several tasks with regard to Gender Budgeting. This Committee had instructed 18 Central Ministries/Departments to bring out scheme-wise provisions and physical targets benefiting women in their Annual Reports/ Performance Budgets for 2004-05. However, when we examine the Annual Reports of all these Ministries for 2004-05 and 2005-06, we find that only 6 Ministries have presented a separate chapter/ section on gender issues in their Annual Report. Moreover, the information presented in this regard in the Annual Reports of Ministry of Labour and Ministry of Rural Development is useful from the perspective of Gender Budgeting, but the same presented in the Annual Reports of the four other Ministries (viz. Health & Family Welfare, Social Justice & Empowerment, Small Scale Industries, and Youth Affairs and Sports) is inadequate for Gender Budgeting.

Thus, we find that most of the Central Ministries/Departments have not been collecting and reporting the gender-disaggregated information on their programmes/schemes which is essential for undertaking Gender Budget analysis. In this scenario, the Gender Budget analysis of Union Budget for 2006-07, which is presented as a separate statement (Statement No. 20, Expenditure Budget Vol. I, Union Budget 2006-07) in Union Budget 2006-07, seems to be based on several misleading and questionable assumptions. The Gender Budgeting statement presented in Union Budget 2006-07 indicates, in two parts
(Part A and Part B), the budget allocations for programmes/schemes that are substantially meant for the benefit of women. Part A presents women-specific budget provisions under schemes in which 100% allocations are meant for women. Part B presents women-specific budget provisions under schemes where such allocations constitute at least 30% of the total provisions. The Gender Budget allocations by the Central Government, as presented in Part A and Part B of the said statement, add up to Rs. 28,736.53 Crore for the Budget Estimates of 2006-07, which is 5.1% of the total Union Government Expenditure of Rs. 5,63,991 Crore in 2006-07 (BE). However, this Gender Budgeting exercise is based on numerous assumptions relating to the proportion of allocations under a scheme that directly benefits women. On one hand, some of these assumptions are clearly wrong, for instance, putting 100% allocations for ‘All India Institute of Medical Sciences’ and ‘Safdarjung Hospital’ under Ministry of Health & Family Welfare in the Gender Budget. On the other hand, some of the assumptions are also patriarchal, for instance, the assumption that anything that has to do with children, anything that has to do with contraception and family planning is for the exclusive benefit of women. Unless such assumptions are rectified, the relevance of Gender Budgeting attempted by the Government will be diluted.

**What Ought to Be Done in the 11th Plan**

One of the recommendations of the Steering Committee Report (in 2001), which was also reiterated by the Tenth Plan document, seems to be quite pertinent at the present juncture, which is: the estimates of allocation and expenditure on the programmes/schemes run by the different Ministries/Departments should be shown as a separate account head in the Demands for Grants on the pattern of Tribal Sub Plan and Special Component Plan for Scheduled Castes; and, no re-appropriation from WCP to the general programmes/schemes should be permitted without the prior approval of the Ministry of Women and Child Development.

The Mid-Term Appraisal of Tenth Plan had rightly observed that all Ministries/Departments are women-related. Hence, WCP should be extended to all Ministries/Departments –both in the Central Government and in the States- and should not be confined to the realm of some Ministries only which have historically been perceived as “women-related”. Moreover, ensuring that these funds sanctioned actually reach the women is also the responsibility of the Government. In this regard, a ‘non-lapsable pool’ of women’s fund could be created in every State and also at the Centre. If there is under-utilisation of funds allocated for women specific programmes/schemes under any Ministry (Central or State), the balance amount of funds should be transferred to this pool. However, to ensure that funds actually reach the women rather than lying idle in the non-lapsable pool, checks and balances as well as incentives for quality of spending as well as monitoring outcomes will need to be put in place.

The watered-down language in the *Draft Approach Paper to the 11th Five Year Plan* (“Towards Faster and More Inclusive Growth, Approach to the 11th Five Year Plan”, Planning Commission, June 14, 2006), hereafter referred to as the Draft Approach Paper, which talks about “appropriate provisions” for gender balancing (Gender Balancing,
Section 5.6, page 64) is another area of concern. This could be a step backward from the 30% commitment under the WCP. The Government should reaffirm its commitment to at least 30% allocations for women as under WCP. One weakness of the WCP is that it treats women as one homogenous group but, in reality, we know that there are layers and layers of discrimination even within women, thus a dalit woman will be doubly discriminated and a differently-abled dalit woman will be even more vulnerable. Thus WCP needs to factor in this intersectionality-framework while addressing issues of women. Therefore, even in the WCP, there should be guidelines for designing programmes and schemes focused at the most vulnerable women, like dalit women, adivasi women, HIV positive women, sex-workers, etc.

Bearing in mind the serious lacunae in the Gender Budgeting statement prepared by the Government, as highlighted in the previous section there is an urgent need to build the capacity of the Gender Budgeting Cells that have been set up in various Ministries. In fact, the Central Government and the Planning Commission should take strong measures for getting the Ministries/Departments to implement WCP, and collect and report gender-disaggregated data on their programmes/schemes. Last but not the least, Gender Budgeting cannot be seen in isolation from the overall economic-political scenario. Identifying and listing resource allocations for women is only a part of the whole approach of Gender Budgeting. The crux of the issue is the overall economic policy framework in which we operate. If the overall economic framework continues to be driven by a philosophy of withdrawal of the state from important social and economic sectors, its impact on women would be much more harmful than what some additional resource allocations or schemes for women- here or there- can mitigate.