



● POOJA PARVATI

Union Budget 2011-12: Whither the Aam Aurat?



AGREING WITH the government that the year gone by presented us with several opportunities and challenges to address critical concerns pertaining to the social sector, the overall sense is that this Budget too did precious little in terms of firming up the intent of the government to ensure 'inclusive' growth. Let us look at the provisions made in the Union Budget 2011-12 with regard to the outlays for women.

The government seems to have stuck to the path of fiscal conservatism this year too, with Finance minister Pranab Mukherjee announcing in his Budget speech that it has reduced "outstanding debt" to a level much below that was recommended by the 13th Finance Commission. But the poor have to bear the brunt of this conservative policy and notwithstanding

the growing recognition of the need for expanding coverage of the Public Distribution System; the outlay for food subsidy has been slashed from ₹60,600 crore in 2010-11 (Revised Estimates) to ₹60,573 crore in 2011-12 (Budget estimates). When seen in the light of the fact that women constitute about 48 per cent of the poor in the country, the impact of this reduction in as basic an entitlement as food on women cannot be overstated. Taking the Tendulkar Committee estimates of percentage of population in rural areas below poverty line of 41.8 per cent of total population, the absolute rural poor would be about 488 million persons of which women would be about 234 million.

Further, the total outlay for the social sector (education, health, water and sanitation) – excluding Non-Plan Capital

Expenditure that is usually very small and sporadic – which went up from 1.86 per cent of GDP in 2009-10 to 2.06 per cent of GDP in 2010-11 (RE) has slumped to 1.8 per cent of GDP in 2011-12 (BE). The outlay for Plan Expenditure on social sectors shows an increase from ₹127,416 crore in 2010-11 (RE) to ₹145,113 crore in 2011-12 (BE), but that for Non-Plan Revenue Expenditure on social sectors registers a sharp decline from ₹35,085 crore to ₹20,862 crore. This kind of a lopsided policy for social sector spending has already given rise to acute staff shortage in most states. In this regard, the impact on women in the government sector is immense. We may note here that women's share in the workforce accounts for 16 per cent in urban areas and 32 per cent in rural areas as per NSSO 61st Round, 2005.

With regard to the overall outlay for the social sector, the Union Budget 2011-12 has allocated ₹1, 75, 975 crore (2011-12 BE) which is only a marginal increase as compared to the previous years' outlays (₹1, 62, 501 crore in 2010-11 RE and ₹1, 22, 345 crore in 2009-10). When seen as a proportion of the GDP, outlays for the social sector work out to about 1.8 per cent; and as a share of the total government budget, social sector accounts for 14 per cent (which is only a minor improvement since last year's 13.36 per cent in 2010 -11 RE). Thus, this clearly reveals that increases in the social sector are hardly substantial.

Although the government has announced an increase in the remuneration of Anganwadi workers and Anganwadi helpers within Integrated Child Development Services (ICDS) that has been doubled to ₹3, 000 and ₹1, 500 respectively, it remains to be seen how this can be materialised as the overall outlays for ICDS have not been increased substantially (from ₹9, 370 crore in 2010-11 RE to ₹10, 330 crore in 2011-12 BE). A Women's SHG Development Fund with an initial allocation of ₹500 crore has been introduced. This is in keeping with the rather narrow interpretation of what constitutes as gender-responsive budgeting.

Centre for Budget and Governance Accountability's analysis of the Union Budget 2011-12 reveals that while the total size of the Gender Budget has marginally increased from 6.1 per cent (2010-11 BE) to 6.2 per cent this year, there have been no significant revisions made in the methodology of preparation of the Gender Budgeting Statement. Further, the number of Ministries/departments reporting in the Gender Budgeting Statement has remained 33 since the last five years. Allocation for several women-specific schemes such as Swadhar, Priyadarshini, Support for Training and Employment



THE OUTLAYS FOR EDUCATION, HEALTH AND FOOD SECURITY ARE INADEQUATE WHEN SEEN IN THE LIGHT OF THE DEFICITS IN DEVELOPMENT OUTCOMES

Programme have declined as compared to the previous year's outlays. Another serious concern is that critical sectors such as Water Supply and Sanitation that impact women significantly, are not part of the Gender Budgeting Statement. The overall allocation for ministry of Women and Child Development has registered an increase of only 13 per cent.

With regard to the government's taxation policy, while the Income Tax exemption limit for men would be raised from ₹1,60,000 to ₹1,80,000 in the fiscal year 2011-12, the exemption limit for women tax payers has been retained at ₹1,90,000. The government should have made an effort towards improving the gender responsiveness of the tax system by increasing the exemption limit of women tax payers as well.

Clearly, the Union Budget 2011-12 that could have fortified several provisions made in the last few years and given a thrust to social sector spending has missed the mark yet again. While the Budget has some positives for the social sector, critical shortfalls persist. The outlays for education, health and food security are inadequate when seen in the light of the deficits in development outcomes. Outlays for the marginalised sections of population hardly reflect the intent of the government to ensure 'inclusive' growth. While the Budget outlines "a chosen path of fiscal consolidation and high economic growth", it disregards the persistent development deficits in the social sector, more specifically for the poor and the marginalised. Despite having made note of the fact that "India stands at the threshold of a decade which presents immense possibilities", the Union government seems to have turned a blind eye to most of these critical concerns. ■

(The author works with Centre for Budget and Governance Accountability (CBGA), New Delhi. The article draws substantially from the analysis of the Union Budget 2011-12 done by CBGA; the views expressed here are personal)