



BUDGET FOR CHILDREN IN INDIA

Children are almost 39 per cent of India's population. Every year estimated 26 million children are born in India (Census 2011)¹. They are all citizens of this country and their rights have to be recognized and realized. Article 15 (3) of the Constitution has recognized the need for making special provisions for children.

A budget of a country is perhaps the most important reflection of its political priorities. It signals its vision and future policy priorities through the commitment of financial resources.

The budget allocation and spending for children is therefore a reflection of the government's commitment to children.

"The child development approach in the Eleventh Plan is to ensure that children do not lose their childhood because of work, disease, and despair. It is based on the understanding that the rights of all children, including those who do not face adverse circumstances, must be protected everywhere and at all times so that they do not fall out of the social security net. Successful integration of survival, development, protection, and participation policies are important for the over-all well being of the child."

Excerpts from Eleventh Five Year Plan, Chapter 6

1 "Children in India 2012- A Statistical Approach"; Chapter 2; Ministry of Statistics and Programme Implementation; http://mospi.nic.in/mospi_new/upload/Children_in_India_2012.pdf accessed on 15.05.2013

Budget for Children (BfC)

Budget for children is not a separate budget. It is merely an attempt to disaggregate from the overall allocations made, those made specifically for programmes that benefit children. This enables us to assess how far the policy and programme commitments are translated into financial commitments. This would also indicate political commitment of the government towards its young citizens.

Budget for Children was started by HAQ in 2000 with a decadal analysis since then we have been analysing. Since 2003, drawing upon HAQ's methodology, the Ministry of Women and Child Development has been undertaking children's budgeting and since 2008 the Ministry of Finance has included a special Statement on 'Schemes for the Welfare of Children' in the Expenditure Budget (Expenditure Budget, Volume II)

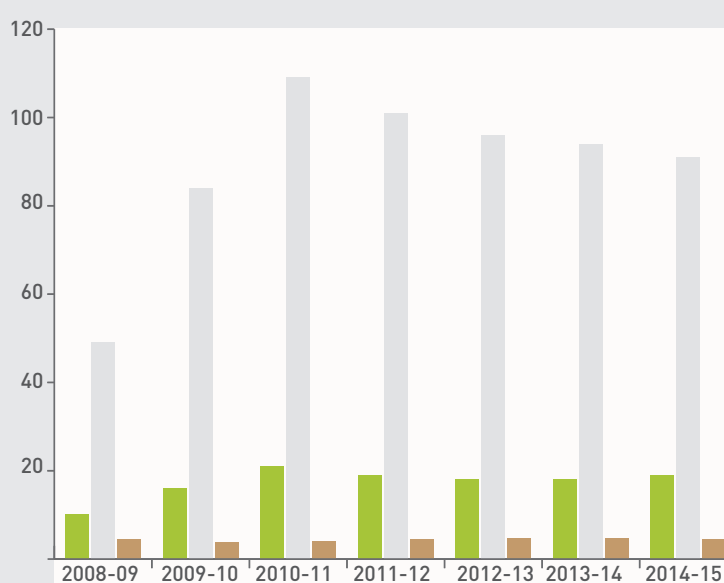
A note on Methodology

Since 2008, budget related data for children is available in the Expenditure Budget Statement 22. This information is also available in the Detailed Demands for Grants (DDGs) of the different Ministries and Departments.

However, at HAQ we have chosen to base our analysis on the DDGs for the following reasons:

1. Statement 22 is a constantly evolving document with more and more departments/ ministries/ schemes and programmes being added in every year and hence the information in it is not consistent over the years (See Fig.1).

Figure 1: Statement 22 (2008-09 to 2014-15)



■ No. of Ministries / Demands ■ No. of Schemes ■ Share of BfC

- The figures in the Statement 22 and the DDGs do not tally. At the same time while statement 22 only includes the major heads, the minor and sub-minor heads are available only in DDGs making it possible to dig deeper into the data.

The methodology and analysis structure was developed by HAQ in 2000 and has continued to be the same. It is based on the allocations and expenditures of selected ministries and departments that run child-related programmes and expense heads in the detailed demands for grants under each of these departments and ministries.

Budget for Children (BfC): 2008-2009 to 2013-2014

Of every ₹100 in the Union Budget ₹4 and 60 paise was allocated for children

Although there has been an increase in allocations in real terms for programmes for children, the percentage share of children has remained less than 5 per cent of the Union Budget.

According to the government's own admission *"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".*²

This concern has been resonated in the concluding observations made by the UNCRC on 13 June 2014, based on India's report presented to the Committee on 3 June 2013 in Geneva. *"The budgetary allocations do not adequately take into consideration child protection needs. There is also mis-management of allocated resources, a problem which is exacerbated by a high level of corruption and the lack of effective monitoring and evaluation systems"*³.

It is in 2005-2006 that the share of BfC broke through the 4 per cent barrier for the first time, and even touched 5.23 per cent share in 2005-2006 and touched almost 6 percent 2008-2009. It is a matter of concern that children's share has decreased since then.



Photo: Dhillung Kirat

Figure 2: Share of BfC (BE) in Union Budget
(2008-2009 to 2013-2014) (Per Cent)

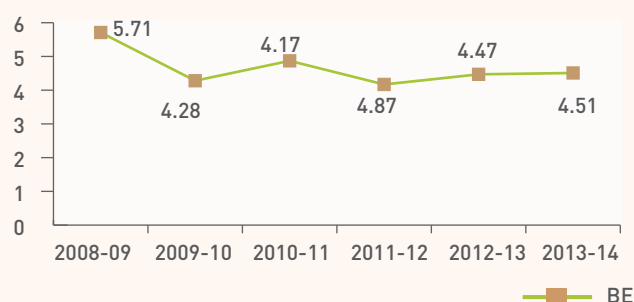
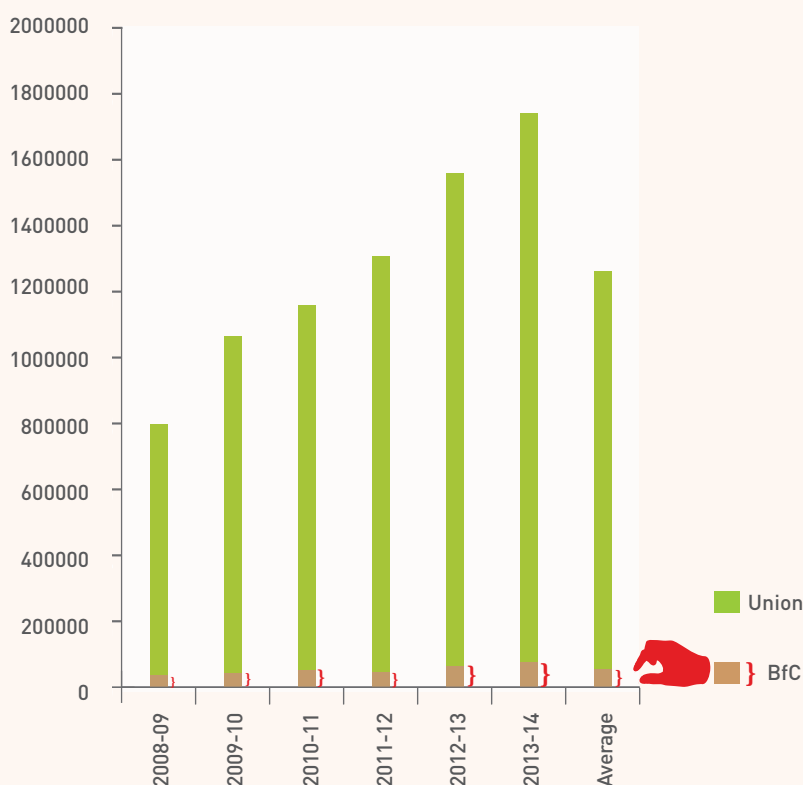


Figure 3: Share of BfC (BE) in Union Budget
(2008-2009 to 2013-2014) (₹ Crores)



² India: Third and Fourth Combined Periodic Report on the Convention on the Rights of the Child http://wcd.nic.in/crc3n4/crc3n4_1r.pdf

³ Full document available on http://tbinternet.ohchr.org/_layouts/treatybodyexternal/SessionDetails1.aspx?SessionID=843&Lang=en

Allocation and Expenditure (BE, RE and AE)⁴ in BfC

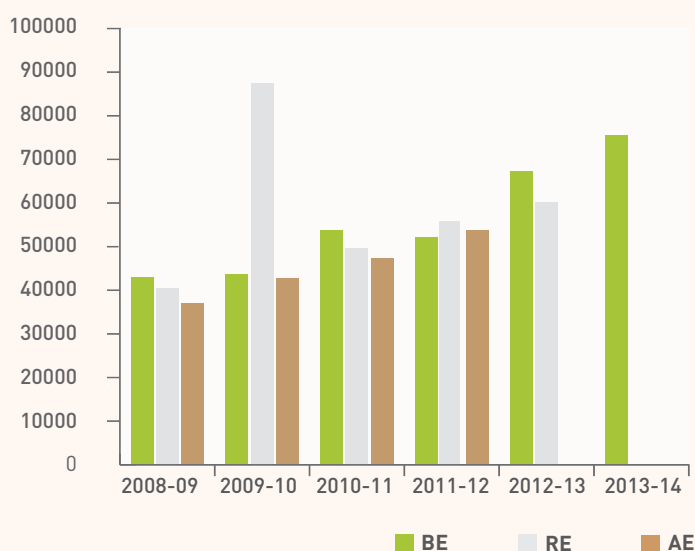
While the share of allocation for children within the overall Union Budget may have seen a fall since 2008-09, both the allocation and expenditure in real terms have increased over the years except in 2011-2012.

But the fact that the allocated resources are not utilised is indeed a matter of concern. Even as the Union Budget witnessed an average of 6.57 per cent over expenditure over the years, there was an average under expenditure of 5.74 per cent during 2008-2009 to 2011-2012.

In 2008-2009, the under spending was as high as 13.19 per cent. In 2009-2010, AE experienced a significant under spending of 51.44 per cent against the increased allocations at RE stage.

Such trends of under spending raise serious questions about the implementation of children centric programmes and efforts being made towards ensuring the well being of children of our country.

Figure 4: BE, RE & AE In BfC
(2008-2009 to 2013-2014) (₹ Crores)



- The allocation between 2008-2009 and 2013-2014 increased by almost 75 per cent.
- On an average, RE was 13.27 per cent more than the BE.
- Of every rupee allocated for children Rs. 5 and 74 paise remained unspent.
- Maximum unspent balance is in the protection sector.

Table 1: Allocation and Expenditure in BfC (₹ Crore)

Year	BE	RE	AE	AE-BE	AE-BE (%)	RE-BE	RE-BE (%)	AE-RE	AE-RE (%)
2008-2009	42888.17	40323.94	37232.40	-5655.77	-13.19	-2564.23	-5.98	-3091.55	-7.67
2009-2010	43736.29	87855.47	42667.00	-1069.29	-2.44	44119.18	100.88	-45188.47	-51.44
2010-2011	53941.49	49142.19	47707.24	-6234.24	-11.56	-4799.30	-8.90	-1434.94	-2.92
2011-2012	52433.09	55676.92	54307.06	1873.97	3.57	3243.82	6.19	-1369.85	-2.46
2012-2013	66634.75	61095.44	NA	NA	NA	-5539.30	-8.31	NA	NA
2013-2014	75056.31	NA	NA	NA	NA	NA	NA	NA	NA
Average (BE) (uptill 2011-12)	48249.76	Average Expenditure (up till 2011-12)			-5.74		--	--	--

Sectoral Share of allocations and expenditure

Of the four sector, education continues to receive the maximum share of the budget both within the union budget as well as BfC. Child Development received an average share of 1 per share in the union budget and 21.75 per cent share in BfC.

- **Education has received the maximum share of the budget.**
- **Share of health is very small and has seen a fall causing concern.**
- **Except for the development sector, there is under spending in the other three sectors (expenditure has been less than the allocations).**
- **Allocation for the protection sector remains very low with highest under spending.**

Despite falling child health conditions in the country, health, on an average, received a meager 0.65 per cent share in the union Budget. What is more, the share of allocation for health has seen a decline over the years.

Table 2: Sectoral Budget (BE) within Union Budget and BfC (Per cent)

Year	Health		Development		Education		Protection	
	Union	BfC	Union	BfC	Union	BfC	Union	BfC
2008-2009	0.87	15.25	0.86	15.12	3.91	68.46	0.07	1.17
2009-2010	0.65	15.20	0.68	15.98	2.92	68.13	0.03	0.69
2010-2011	0.66	13.54	0.93	19.20	3.22	66.22	0.05	1.05
2011-2012	0.61	14.67	0.94	22.51	2.57	61.60	0.05	1.22
2012-2013	0.63	14.07	1.18	26.49	2.61	58.46	0.04	0.98
2013-2014	0.58	12.79	1.17	26.02	2.72	60.29	0.04	0.90
Average	0.65	14.09	1.00	21.75	2.90	63.16	0.05	1.00

Child protection continues to receive the lowest priority with an average share of 0.05 per cent share in the Union Budget and only 1 per cent in BfC. This is a sector that has been consistently receiving the lowest priority in the budget over the years. This fact was recognized in the Eleventh Five Year Plan leading to the launch of the umbrella scheme of - Integrated Child Protection Scheme (ICPS). That there is a need to strengthen the protection mechanisms in the country was reiterated in the Twelfth Five Year Plan. And yet little has changed.

The sectoral utilisation during these four years (2008-2009 to 2011-2012 for which the expenditure data is available) shows except child development sector, there has been under spending in the other three sectors. This fact becomes more compelling especially when the Union Budget expenditure as a whole has witnessed over expenditure all through years, with an average over expenditure of 6.57 per cent.

Protection sector, that receives the least resources, shows to have had maximum underspending (average of 51.25 per cent).

Table 3: Expenditure (AE) Against Allocation (BE) Union Budget, BfC and Sectors (Per cent)

Year	Union	BfC	Health	Development	Education	Protection
2008-2009	17.72	-13.19	-11.8	0.5	-15.9	-50
2009-2010	0.36	-2.44	-2.3	19	-6.9	-65.4
2010-2011	7.99	-11.56	-10	-0.2	-14.6	-51.1
2011-2012	3.71	3.57	-15.5	29.5	-0.4	-45.7
Average	6.57	-5.74	-10.07	13.53	-9.45	-51.25

Table 4: Underspending in Flagship Schemes (2008-2009 to 2011-2012) (₹ Lakhs) (Appropriation Accounts)

Year	Scheme	Total Grant	Actual Expenditure	Excess (+) Saving (-)
2008-2009	Routine Immunisation Programme	61500	28237.68	-33262.32
	Manufacture of Sera/Vaccine – B.C.G. Vaccine Laboratory, Guindy, Chennai	1200	431.03	-768.97
	IEC– RCH Project	9067	4513.88	-4553.12
	National Institute of Public Co-operation and Child Development (NIPCCD)	2778.50	797.76	-1980.74
	Rajiv Gandhi National Crèche Scheme for the Children of Working Mothers	9610.00	8751.38	-858.62
	Integrated Child Development Services (ICDS)	4220.00	1488.33	-2731.67
	Sarva Shiksha Abhiyan - Establishment and Related Expenditure	1978.00	1705.23	-272.77
	Integrated Child Protection Scheme (ICPS)	5000	0	-5000
	Conditioned Cash Transfer Scheme for Girl Child with insurance cover	900	595.16	-304.84
	Central Adoption Resource Agency (CARA)	400	240	-160
2009-2010	Manufacture of Sera/Vaccine – B.C.G. Vaccine Laboratory, Guindy, Chennai	1750	473.57	-1276.43
	Routine Immunisation Programme	41421	26893	-14528.00
	National Institute of Public Co-operation and Child Development (NIPCCD)	2416.00	2150.00	-266.00
	Integrated Child Development Services (ICDS)	3459.00	1538.8	-1920.20
	Sarva Shiksha Abhiyan – Establishment and Related Expenditure	2085.00	1632.68	-452.32
	National Programme of Mid Day Meals in Schools (National Component)	1500.00	52.69	-1447.31
	Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	98346.00	48927.87	-49418.13
	Central Adoption Resource Agency (CARA)	380	158.38	-221.62
	Integrated Child Protection Scheme (ICPS)	1200	932.29	-267.02
	Conditioned Cash Transfer Scheme for Girl Child with insurance cover	1000	500	-500
	National Commission for the Protection of Child Rights (NCPCR)	700	510	-190



Photo: Michal Huniewicz



Photo: Wolfgang Sterneck

Year	Scheme	Total Grant	Actual Expenditure	Excess (+) Saving (-)
2010-2011	Manufacture of Sera/Vaccine – B.C.G. Vaccine Laboratory, Guindy, Chennai	1725	1000.39	-724.61
	Pulse Polio Immunisation Programme	103709	99059.38	-4649.62
	Routine Immunisation Programme	44978	38260.03	-6717.97
	Integrated Child Development Services (ICDS)	2520.00	1913.04	-606.96
	Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (RGSEAG)	300	22.07	-277.93
	Indira Gandhi Matritva Sahyog Yojana (CMB Scheme)	200	32.25	-167.75
	Sarva Shiksha Abhiyan – Establishment and Related Expenditure	2636.00	2458.72	-177.28
	National Programme of Mid Day Meals in Schools – Cost of Food Grains	30000.00	15372.54	-14627.46
	Sarva Shiksha Abhiyan – General Component	161175.55	12.54	-161163.01
	Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	152752.00	148196.76	-4555.24
	National Means cum Merit Scholarship Scheme	8145.00	4978.57	-3166.43
	National Commission for the Protection of Child Rights (NCPCR)	950	550	-400
	Conditioned Cash Transfer Scheme for Girl Child with insurance cover	1000	183.02	-816.98
	Integrated Child Protection Scheme (ICPS)	2200	1828.73	-371.27
2011-2012	Manufacture of Sera/Vaccine – B.C.G. Vaccine Laboratory, Guindy, Chennai	1940	904.45	-1035.55
	Routine Immunisation Programme	50599	40241.84	-10357.16
	Pulse Polio Immunisation Programme	70396	65750.01	-4645.99
	Integrated Child Development Services (ICDS)	3052.00	2004.88	-1047.12
	Rajiv Gandhi National Crèche Scheme for the Children of Working Mothers	7651.00	7383.5	-267.50
	World Bank ICDS IV Project	7500.00	0	-7500.00
	Sarva Shiksha Abhiyan – Establishment and Related Expenditure	2891.00	2379.26	-511.74
	National Programme of Mid Day Meals in Schools (National Component)	1315.00	871.78	-443.22
	Conditioned Cash Transfer Scheme for Girl Child with insurance cover	1000	0	-1000
	Integrated Child Protection Scheme (ICPS)	3900	2352.67	-1547.33

Dependence on External Aid

An average of 5.30 per cent of total allocations for children (BfC) comes from external aid. Of all sectors, child health, which receives a small share of the budget for children, received the maximum share of external grants (24.89 per cent). The education sector receives 2.6 per cent of its budget from external aid. While a very small proportion of external aid is received for the development sector (0.68 per cent from the World Bank through its contribution to ICDS in the form of Grant-in-Aid), there are no externally aided component for Child Protection.

The fall in dependency on external aid for resourcing programmes and schemes for children is a welcome sign and needs to be sustained.

Figure 5: Share of External Aid (BE) within BfC
(2008-2009 to 2013-2014) (Per cent)

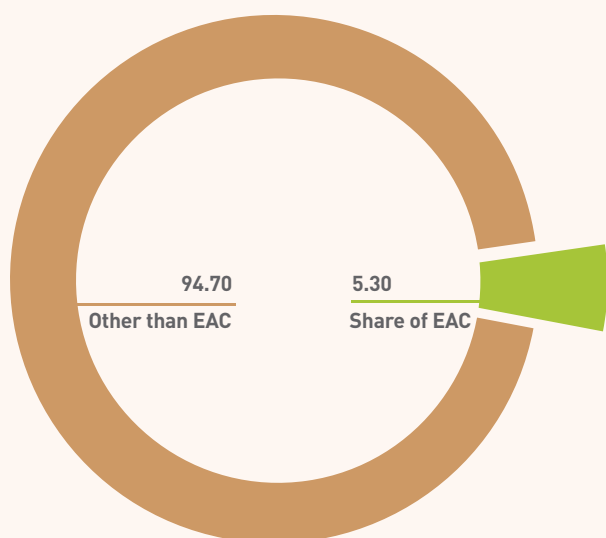
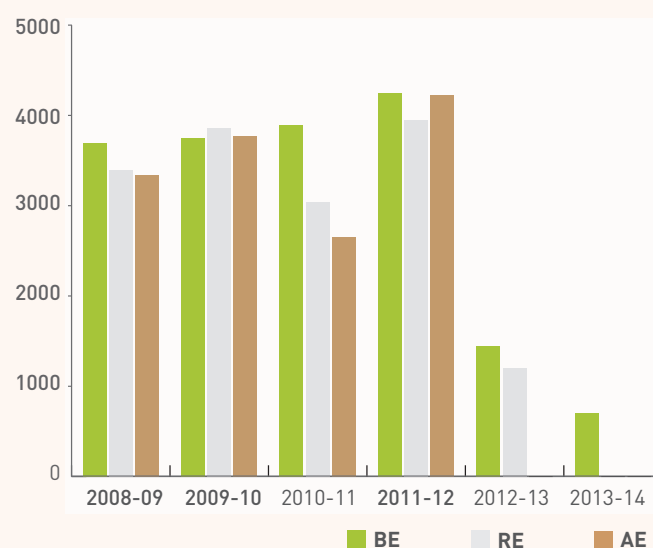


Figure 6: External Aid (BE) in Child Budget
(2008-2009 to 2013-2014) (₹ Crores)



Conclusion

Does the reducing share of financial resources for children within the over-all Union Budget reflect a falling concern for them in the country? Given the poor outcomes of child health that and increasing violence against children that the country is witnessing, how does the government rationalize and explain the poor allocations and the high under spending on these sectors?

There is also a growing trend of moving towards the PPP (Public Private Partnership) model for services for children, leading to abdication of state responsibility. With the enactment of the Company (Corporate Social Responsibility policy) Rules, 2014, there is more money from the private sector available for social services. This should not lead to replacement of government by private sector. Instead it should be part of the pool of resources available to the government to be used to augment its own resources. Government must be accountable for utilisation of these resources.

What children need is a political will from the planner and the government. Without adequate resources and accountable implementation of programmes and schemes, the promises being made, the laws and policies enacted remain as mere platitude.



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