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**Kind Attention:**

Mr. Arun Jaitley  
Finance Minister  
Ministry of Finance  
Government of India.

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***Subject: Budget for Children in the year 2016-17***

Dear Mr. Arun Jaitley,

Greetings from HAQ: Centre for Child Rights!

HAQ: Centre for Child Rights is a Delhi based NGO, working towards the recognition, promotion and protection of rights of all children. HAQ seeks to focus on children in a holistic way – as Actors in our society, as Citizens of Today and as Adults of the Future. Our work is directed towards mainstreaming child rights in governance and in all development actions. HAQ believes that realization of children’s rights can only be possible when political commitments are backed by adequate financial commitments.

India is home to about 442 million children aged 0-18 years. They constitute 39% of the country’s population, but receive less than 5% of the Centre’s budget!

Sir, you will soon be leading the Budget Session of the Parliament this year and we wish to use this opportunity to share our work and concerns regarding child budgeting.

**1. Allocations of financial resources for the key nodal ministries and flagship schemes related to children must go up in Union Budget 2016-17**

The child rights community was shocked to see sudden and drastic cuts in budgets for children in the national budget, 2015-16. While, the share of children in Union Budget has seen a downward trend over the years, in 2015-16 Union Budget, the allocation for children observed severe cut. What is more, the allocations for Ministry of Women and Child Development were cut down by almost 51 per cent in previous year’s budget. Similar budget cuts were made for other key ministries as well. (see table below)

| Budget Cuts in Key Social Sector Ministries |  |
|---|--|
| Ministry                                    | Percentage Fall in Allocation (between 20014-15 and 2015-16) |
| Ministry of Human Resource Development      | -17%   |
| Ministry of Women and Child Development     | -51%   |
| Ministry of Family and Health Welfare       | -13%   |

In the union budget 2015-16, children received a mere 3.26 per cent of total financial resources, which is a significant 29 per cent less than what children received in 2014-15 Union Budget (4.51%). Not just this, allocations for most of the children specific centrally sponsored schemes (CSS) were cut down severely. For example, allocation for ICDS stand cut to 54%, for SSA the allocation was cut down to 21%. (see table below)

| Scheme  | Percentage Fall in Allocation (between 20014-15 & 2015-16) |
|---|--|
| Sarva Shiksha Abhiyaan  | -20.74   |
| Mid- day meal Scheme  | -30.11   |
| Rashtriya Madhayamik Shiksha Abhiyaan   | -28.70   |
| Scheme for Setting up of 6000 model School at Block Level As bench mark of Excellence | -99.92   |
| Support to Education including teacher training                                       | -36.55   |
| Integrated Child Development Services (ICDS)  | -54.19   |
| Deendayal Disabled Rehabilitation Scheme  | -33.33   |
| Manufacture of Sera Vaccine   | -18.03   |
| NRHM-RCH Flexible Pool  | -21.63   |
| National Programme for Youth and Development  | -28.75   |
| Scheme for prevention of Alcoholism and substance(drug) abuse                         | -66.81   |

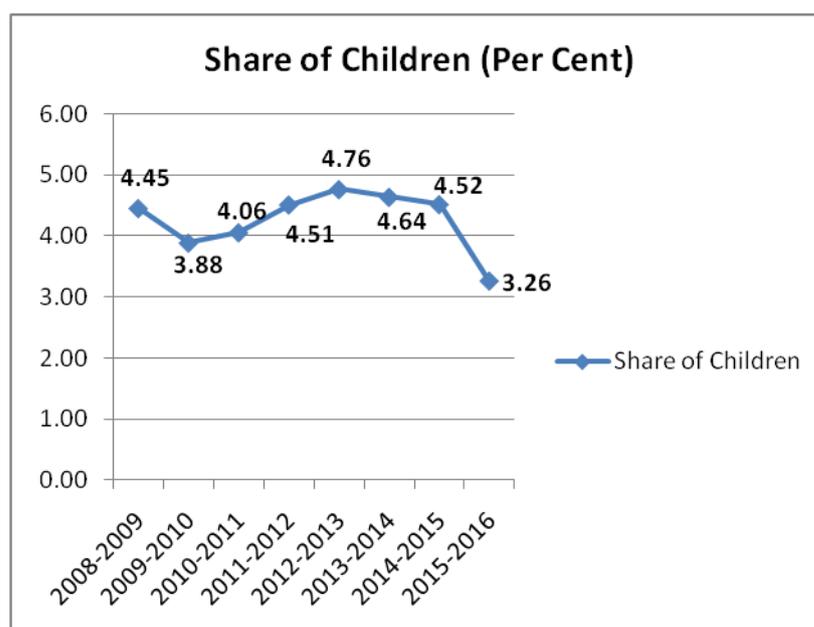
Due to such heavy budget cuts, implementation of children related programmes is hampered and thus, good governance for children cannot be ensured without adequate financial resources. Therefore, in the upcoming Union Budget 2016-17, the allocations for these key ministries and flagship Centrally Sponsored Schemes must go up.

## 2. Share of children going down

**Despite this recognition to budget for children or child budgeting, the share of budget for children in the Union budget has never gone beyond 5% and has never been commiserate to the requirements**

HAQ's analysis of Union Budget's Statement 22 has shown that share of children in the Union Budget has been going down every year. While

in 2008-09 the share was over 4.45% it has remained less than that ever since.



Shockingly, in 2015-16 Union Budget, the share of children dipped to the lowest of last six years and came out to be a meager 3.26 per cent. Indeed the government of India in its report to the UN Committee on the Rights of the Child has admitted that the budget for children is inadequate.

Moreover, it is important to mention here that although the children’s share in the budget has been going down, there is constant under spending.

**Sir, we hope that this will receive your consideration in formulating your budget.**

### 3. Sectoral Allocations in the Union Budget- The concerns remain

India’s over all public health expenditure is just 1 per cent of its GDP as against the WHO standard of at least 3 per cent of GDP. Within the health sector, child health sector received a meagre 0.13 per cent share in the Union Budget 2015-16<sup>1</sup>. **What is even more alarming is that this has gone down from 0.18 per cent in 2012-13 to 0.13 per cent in 2015-16<sup>2</sup>.**

Child protection sector has always received the lowest share of the budget. On an average, since 2012-13, child protection received only 0.04 per cent share of total allocations. Despite an increase in allocations for some of its schemes and programmes, it has received a negligible 0.04 per cent share in 2015-16 Union Budget. Poor investment on child protection is in itself a reflection of the low priority this sector has received in government’s own planning and implementation<sup>3</sup>. It is high time, **child protection concerns must be given top priority and allocations must be increased in upcoming budget.**

**While education sector receives the largest share of the budget for children, the goal of 6 per cent allocation on child education is still a dream.** Further, over the last few years, the major chunk of government financing of elementary and secondary education had been through the education cess. While this began as a measure to inject additional amounts to supplement government’s own support, it grew to be more of a substitute. This needs to be corrected.

| Sectoral Share in Union Budget |             |                |              |               |
|--------------------------------|-------------|----------------|--------------|---------------|
| Year                           | Health BE   | Development BE | Education BE | Protection BE |
| 2012-2013                      | 0.18        | 1.10           | 3.44         | 0.04          |
| 2013-2014                      | 0.16        | 1.10           | 3.34         | 0.03          |
| 2014-2015                      | 0.16        | 1.06           | 3.26         | 0.04          |
| <b>2015-2016</b>               | <b>0.13</b> | <b>0.51</b>    | <b>2.58</b>  | <b>0.04</b>   |

### 4. Under spending affects outcomes

Under expenditure in some of the major schemes affects the implementation. Below is the example of few flagship schemes, which observed major under expenditure. Proper utilization would only let us know the adequacy of allocations and change of

<sup>1</sup> Statement 22, Expenditure Budget Volume II, Union Budget 2015-16

<sup>2</sup> Statement 22, Expenditure Budget Volume II, Union Budget 2012-13, 2013-14, 2014-15 and 2015-16

<sup>3</sup> <http://wcd.nic.in/childwelfare/BudgetingChildProtection.pdf>

strategy of implementation could be adopted. Effective measures of monitoring and holding accountability must be developed to curb under expenditure. Timely disbursement and utilization and a proper mechanism to monitor the utilisation will reduce under spending<sup>4</sup>.

## 5. Linking financial outlays to outcomes<sup>5</sup>

The government prepares the Outcome Budget, summarizing the most important outcomes that a ministry or department aims to achieve at the end of financial year, given the account of financial resources. This budget typically highlights the physical targets achieved against the allocated fund, and do not always measure the outcome. Without linking financial outlays against outcomes, it would not be possible to determine whether the money approved for various ministries has been successful in achieving intended objectives.

## 6. Children related legislations and commitments must have financial backing and adequately resourced in the upcoming Union Budget

The legislations meant for ensuring the protection of child rights must have financial provisions budgeted in the budget documents. For example, Sarva Shiksha Abhiyan (SSA) is the vehicle for implementing the Right to Free and Compulsory Education Act and SSA is one of the Centrally Sponsored Scheme. Likewise, other child rights legislations must also have the financial vehicles designed to ensure smooth implementation of these legislations. POCSO, one of the most effective legislations enacted to combat child sexual abuse does not have any financial backing built in the budget. Thus, such legislations and commitments must be budgeted in the upcoming budget 2016-17.

## 7. ICPS needs to be strengthened in the light of new Juvenile Justice Act:

The Integrated Child Protection Scheme (ICPS) is the only scheme for child protection in our country introduced in the Eleventh Plan. **It was envisaged that the ICPS would help create a protective environment for children in the country. However, the delayed rolling out of the programme and inadequate resources allocated to it has meant that the scheme remains inadequately implemented.**

With the newly enacted JJ Act, 2014; there are new developments brought in for assessment and rehabilitation of young offenders through serious interventions by way of bringing on board experts, psychologists, counsellors etc. This additional responsibility would require more funds. Moreover, the new Act also talks about creating **“Borstal Homes”** or **“Place of Safety”** for young offenders committing

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<sup>4</sup> GOI is now considering an order that the last quarter spending (Jan/March) of the fiscal year can expend only 15% of the total allocation for the year. This depends on timely release as much as on prompt and honest utilization.

<sup>5</sup> Parliament's Role in Financial Oversight: *A Background Note for the Conference on Effective Legislature*; Shankar Apoorva; December 02 2014; A PRS legislative Research

serious crimes. It must be noted that these facilities do not exist in the country and to achieve the objectives of new JJ Act, these establishments need to be put in place. Unless the financial provisions for these establishments are not reflected in the upcoming budget for ICPS, we would fail to achieve the objective.

In its report, the Department-Related Parliamentary On Human Resource Development for the Juvenile Justice (Care And Protection of Children) Bill, 2014, February 2015, has provided the following status of Child Welfare Committees (CWC) and Juvenile Justice Board (JJB) in the districts<sup>6</sup>. It observed:

*“Committee notes that out of 660 districts in the country, 626 have Child Welfare Committees and 612 Juvenile Justice Boards in existence. However, **if the pendency of cases both in the Child Welfare Committees and the Juvenile Justice Boards is looked into, a disturbing scenario emerged.** Again with the exception of Chhattisgarh, all the States had district wise CWCs and JJBs. From the above details, the Committee can only conclude that CWCs and JJBs were not fully functional. **Reasons for this could be lack of funds, inadequate facilities and absence of trained manpower. In addition, procedural delays could also not be ignored”.***

ICPS received a minimal increase of 0.56 per cent over the last year’s budget (From 400 crore in 2014-2015 to 402.23 crore in 2015-2016). Slow and tardy implementation of ICPS can be attributed to the unfortunate service conditions of the functionaries for the job, who are appointed on contractual basis, whose salaries get delayed by months, thereby leading to high levels of attrition and impacting effective implementation of the scheme.

**We therefore hope due attention will be paid to the shortfall in the allocation for ICPS and the allocation this year will match the actual need as well as the targets and goals set out in order to ensure all children their right to protection.**

## **8. Central Govt. as primary duty bearer to implement the Centrally Assisted Schemes related to children**

Centrally Sponsored Schemes related to children must be majorly financed by the Union Budget and States’ role in implementation of these schemes should be seen as supplementary. Thus, as highlighted in the Chief Minister’s Sub Group Report on CSS, children related schemes are one of the critical elements of National Development Agenda and as per the recommendation, these programmes must be kept in the **“Core of the Core Schemes”** category and Centre should finance these schemes majorly.

Although, devolution of Central taxes to State governments are expected in increased revenue of States, but the States’ revenue are not going to increase by multiple folds and as the most of the weaker States are not fully equipped to

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<sup>6</sup> <http://164.100.47.5/newcommittee/reports/EnglishCommittees/Committee%20on%20HRD/264.pdf>

generate resources on their own, children related schemes would not form core of the State agenda. Thus in order to fulfill the National Development Agenda, States cannot be left on their own without significant support from the Central government. Thus, as we observed in the Union Budget 2015-16, allocations for Centrally Sponsored Schemes were severely cut down citing “Devolution” as the main reason, the upcoming budget must not repeat the same trend and the recommendations of Chief Minister’s Sub Group report on CSS must be taken into consideration by the Finance Ministry while finalising the allocations.

## 9. Addressing the needs of Children with Disability

**The inclusion of specific and increased allocation for children in two schemes the ‘Deen Dayal Disabled Rehabilitation Scheme’ and the ‘Aids and Appliances for Handicapped’** in Department of Disability Affairs has been set up under the Ministry of Social Justice and Empowerment the last budget is very welcome.

However, specific services of **habilitation and rehabilitation required for full development of children with disabilities continue to be unavailable to the majority and not designed for children** with disabilities. These children are excluded from all programmes and schemes for all children. Rehabilitation services do not reach even a small number of children with disability because of the way they are designed. Even though the RTE Act 2009 makes specific mention of children with disability; the education system is still not designed to include them.

Specific and concerted efforts and strategies need to be made to ensure that these children are included in all child related schemes and programmes, and are able to participate with other children in all activities in the community (such as baal panchayats etc). There have to be multi-disciplinary services for children with disabilities at least at the district level for both detection and support.

Sir, this is the second budget of the progressive government. It is a time to renew your commitment to children of this country. You as the Finance Minister can demonstrate this commitment by putting in place the financial resources to match your commitment to children.

Thanking You.

With warm regards,

Enakshi Ganguly Thukral  
(Co-Director)

Bharti Ali  
(Co-Director)

