

UNION BUDGET ANALYSIS FROM A CHILD RIGHTS PERSPECTIVE

HAQ: CENTRE FOR CHILD RIGHTS

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AREA OF STUDY: *UNION BUDGET*

TIME LINE: *1990-91 TO 2000-01*

SOURCE OF INFORMATION:

- *BUDGET DOCUMENTS*
- *ANNUAL REPORTS*
- *ANNUAL PLANS*

DEFINITION OF CHILD FOR PURPOSE OF THIS STUDY:

- *CHILDREN UP TO THE AGE OF 14 YEARS*

CONSTRAINTS AND LIMITATIONS:

- **ALL DATA NOT AVAILABLE FOR ALL YEARS**
- **STUDY LIMITED TO UNION BUDGETS ONLY**
- **DIFFICULT TO DISAGGREGATE RESOURCES ONLY FOR CHILDREN---MOST PROGRAMMES ARE FOR WOMEN AND CHILDREN**

QUESTIONS FOR ANALYSIS:

1. **What is the share for children in the Union Budget?**
2. **What is the budgeting pattern?**
 - **Rate of change in the three budget heads of a given year over the previous year**
3. **What is the pattern of utilisation of the budget allocated?**
4. **What percent of social sector spending is on children?**
5. **How much of the spending on children is externally aided?**

MINISTRIES AND DEPARTMENTS WITH SPECIFIC PROGRAMMES FOR CHILDREN

MINISTRY FOR HUMAN RESOURCE DEVELOPMENT

- **Department of Education**
- **Department of Women and Child Development**

MINISTRY OF HEALTH AND FAMILY WELFARE

- **Department of Health**
- **Department of Family Welfare**

MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT

MINISTRY OF LABOUR

CHILDREN'S BUDGET HAS BEEN ANALYSED BROADLY UNDER THE FOLLOWING:

- ***EDUCATION***

- ***CHILD DEVELOPMENT.***

THIS INCLUDES:

- EARLY CHILDHOOD CARE AND EDUCATION
- MISCELLANEOUS PROGRAMMES FOR CHILDREN OF THE DEPARTMENT OF WOMEN AND CHILD

- ***HEALTH***

- ***CHILDREN IN DIFFICULT CIRCUMSTANCES***

THIS INCLUDES:

- CHILDREN IN LABOUR
- CHILDREN IN NEED OF ADOPTION
- CHILDREN WHO ARE PHYSICALLY OR MENTALLY CHALLENGED
- STREET CHILDREN
- CHILDREN WHO ARE NEGLECTED OR TREATED AS JUVENILE OFFENDERS

SITUATION OF CHILDREN IN DIFFICULT CIRCUMSTANCES

- **45% of the children in India in the 6-14 age group are out of school. They are potentials for the labour market.**
- **India has the distinction of having the highest number of child labour in the world**
- **The Government admits that there are about 2 million children employed in hazardous industries**
- **According to government estimates there are 12 million disabled children.**
- **14 million children are growing up in regions affected by civil disturbances at some point of time every year.**
- **There are about 11 million street children.**

SITUATION OF HEALTH OF CHILDREN IN INDIA

- **Of every 1000 children born, 72 die within the first year of birth.**
- **There are not enough hospital beds to accommodate all the 25 million births in the country**
- **Recent studies show that 50 % of childhood deaths are directly associated with malnutrition.**
- **380,000 children die due to lack of Vitamin A, iron and iodine**
- **Approximately 70% of infant deaths occur in the first week of life.**
- **No. of deaths due to diarrhoea- 7,00,000 to 8,00,000 per year**
- **In spite of buffer stocks of food grain almost 63% children below the age of five years are undernourished and 75 million children in this age group are malnourished.**

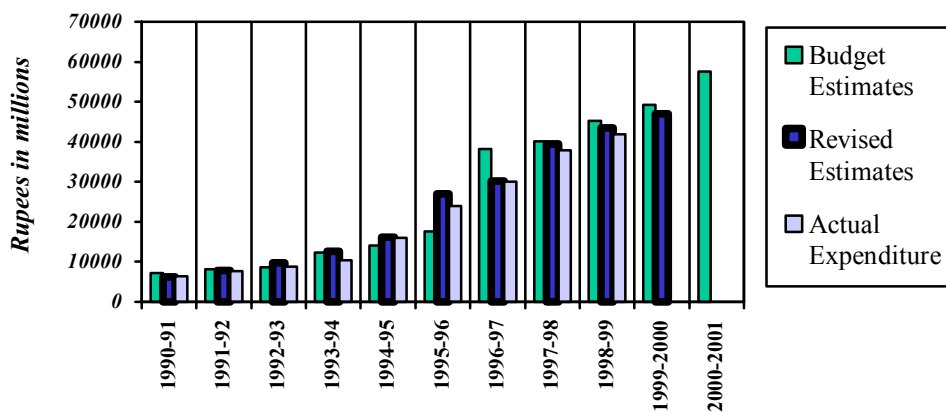
SITUATION OF EDUCATION FOR CHILDREN

- **According to the 1991 Census, there are about 185 million children in the 6-14 years age group (1991 census). It is estimated that about 45 per cent of them (about 83 million) are out of school.**
- **Enrolment rate at the Primary level is 88 per cent (98 per cent for boys and 81 per cent for girls). But, not all of them complete primary level education. About 40 per cent children drop out of school before they reach class V. Of these 59 per cent are boys and 41 per cent are girls.**
- **The enrolment rate at the middle level drops to 59 per cent (67 per cent for girls and 50 per cent for boys).**
- **54 per cent children enrolled drop out of school before they complete their elementary education (class VIII). Of them, 59 per cent are girls and 51 per cent are boys**
- **For every 5 primary schools there is one middle school.**
- **For every 9 middle schools there is one high school.**
- **There are 40,000 primary schools in rural India with no teachers at all.**

- 1.12 lakh schools in rural India which have only one teacher even after it was decided in 1986 to convert every single teacher primary school into at least a two teacher school.
- Average student teacher ratio is 1:50 as against the recommended 1:30 for our country. In most advanced countries the ratio is 1:20.
- Of the total 5 lakh schools in rural areas, 17 per cent or 87,000 schools do not have all season buildings. 26,000 schools have no rooms at all and 1.21 lakh schools have only one room each. The recommended number of rooms as per Operation Blackboard scheme (1987-88) is a minimum of 2 rooms per school.
- 60 per cent of the rural primary schools (about 3 lakhs) do not even have the basic facilities like drinking water.

**ESTIMATED, REVISED AND ACTUAL EXPENDITURE ON CHILDREN
(UNION BUDGET)**

Rupees in Millions



Source: Detailed Demand for grants (1990-91 to 2000-2001).

- Ministry of Human Resource Development
- Ministry of Health and Family Welfare
- Ministry Social Justice and Empowerment
- Ministry of Labour

**Budget Estimates, Revised Estimates and Actual Expenditure on Children
(Union Budget)**

Rupees in millions

Year	Budget Estimates (BE)	Revised Estimates (RE)	Actual Expenditure (AE)
1990-91	7218.2	6222.9	6379.3
1991-92	8201.1	7771.9	7658.3
1992-93	8687.1	9764.7	8860.5
1993-94	12309.6	12632.5	10416.6
1994-95	14084.9	16105.7	15904.3
1995-96	17611.2	27002.4	23961.1
1996-97	38221.2	30176.8	30008.1
1997-98	40140.8	39456.7	37954.2
1998-99	45266.5	43442.8	41936.4
1999-2000	49155.9	46934.4	N.A.
2000-2001	57524.3	N.A.	N.A.

Sources: Detailed Demands for Grants (1990-91 to 2000-2001).

- *Ministry of Human Resource Development*
- *Ministry Social Justice and Empowerment*
- *Ministry of Labour*
- *Ministry of Health and Family Welfare*

** Note: Actual Expenditure for the years 1998-99 and 1999-2000 were not available.*

Revised Estimates for the year 1999-2000 were also not available.

**Sector-wise Spending on Children in the
Union Budget
(1990-1998)**

In percentage

Year	Health	Child Development	Education	Children in Difficult Circumstances	Total
1990-91	0.1	0.3	0.2	0.01	0.6
1991-92	0.1	0.3	0.3	0.01	0.7
1992-93	0.1	0.3	0.3	0.01	0.7
1993-94	0.2	0.3	0.2	0.00	0.7
1994-95	0.3	0.4	0.4	0.01	1.0
1995-96	0.3	0.4	0.7	0.02	1.3
1996-97	0.3	0.4	0.8	0.02	1.6
1997-98	0.3	0.4	1.0	0.02	1.8
1998-99	0.2	0.4	1.0	0.01	1.6
Average	0.2	0.4	0.6	0.01	1.2

Sources: Detailed Demands for Grants (1990-91 to 2000-2001).

- Ministry of Human Resource Development
- Ministry Social Justice and Empowerment
- Ministry of Labour
- Ministry of Health and Family Welfare

**Rate of Change in Budget Estimates, Revised Estimates and Actual Expenditure
on Programmes for Children
(Union Budget)**

In percentage

Year	Rate of change over the previous year		
	Budget Estimates	Revised Estimates	Actual Expenditure
1991 -92	13.6	24.9	20.1
1992-93	5.9	25.6	15.7
1993-94	41.7	29.4	17.6
1994-95	14.4	27.5	52.7
1995-96	25.0	67.7	50.7
1996-97	117.0	11.8	25.2
1997-98	5	30.8	26.5
1998-99	12.8	10.1	10.5
1999- 2000	8.6	8.0	N.A.
2000- 2001	17.0	N.A.	N.A.
Average	29.4	28.5	27.4

Sources: Detailed Demands for Grants (1990-91 to 2000-2001).

- Ministry of Human Resource Development
- Ministry Social Justice and Empowerment
- Ministry of Labour
- Ministry of Health and Family Welfare

- **There is no parity in the rate of change in the three budget heads**
- **Introduction or withdrawal of a scheme, change in external aid, and underutilisation of available resources are some of the factors that influence change in the budget heads**

- In 1995-96 the rate of change over the previous year is highest in both the revised estimates and the actual expenditure

Difference in Budget Estimates and Revised Estimates

Rupees in million

Year	Difference in Budget Estimates and Revised Estimates (RE-BE)	Difference in Budget Estimates and Revised Estimates (in percent)
1990-91	-995.4	-13.8
1991-92	-429.2	-5.2
1992-93	1077.6	12.4
1993-94	323.0	2.6
1994-95	2020.7	14.3
1995-96	9391.3	53.3
1996-97	-8044.3	-21.0
1997-98	-684.1	-1.7
1998-99	-1823.8	-4.0
1999-2000	-2221.5	-4.5

Source: Demand for grants(1990-91 to 2000-2001).

- Ministry of Human Resource Development
- Ministry Social Justice and Empowerment
- Ministry of Labour
- Ministry of Health and Family Welfare

*Note- The negative sign (-) indicates that the revised Estimates were lower than the budget estimates for that year.

- **Maximum difference in the budget estimates and revised estimates is in the year 1995-96, when the budget allocated was 53.4% higher than the estimated budget.**

- 1995-96 saw some important new schemes and increase in allocations in some others.

The new schemes are:

- DPEP (1994)
- Mid-day meal scheme (1995)
- National Child Labour Elimination Programme (1994)
- Cold Chain for vaccines (Pulse Polio Drive as part of CSSM – 1995-96)

Higher allocations were made under:

- ICDS
- CSSM
- Many more smaller schemes with higher allocations

➤ *Maximum fall in allocations as against the estimates was in 1996-97 (allocations were 21% lower than the estimates).*

**Difference between Actual Expenditure and Revised Estimates
on Programmes for Children
(Union Budget)**

Rupees in millions

Year	AE-RE	AE-RE in percent
1990-91	156.4	2.5
1991-92	-113.6	-1.5
1992-93	-904.2	-9.3
1993-94	-2215.9	-17.5
1994-95	-201.3	-1.3
1995-96	-3041.3	-11.3
1996-97	-168.7	-0.6
1997-98	-1502.5	-3.8
1998-99	-1506.7	-3.5
1999- 2000		

Sources: Detailed Demands for Grants (1990-91 to 2000-2001).

- *Ministry of Human Resource Development*
- *Ministry Social Justice and Empowerment*
- *Ministry of Labour*
- *Ministry of Health and Family Welfare*

Under-utilisation of available resources in 1993-94 is 17.5 percent- maximum in the last 10 years....Why?

We found some answers....

Under –utilisation in Education- here are some culprits!!

- In 12 out of the 17 elementary education schemes there has been under utilisation- e.g. DPEP 91.25 % under utilisation
- Mahila Samakhya -80.6 % unspent
- Teachers training Programme- 95.6 % unspent

- Special Schools for disabled –93.3 % unspent

Under –utilisation in Child Development too !

- ICDS -11.6% unspent

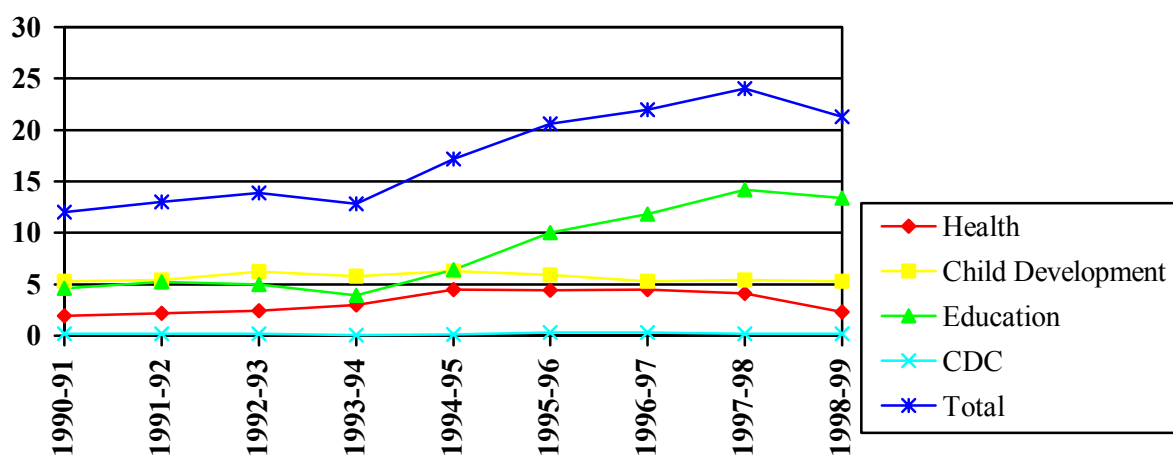
Under –utilisation in Programme for Child Labour

- National Child Labour Projects- 99%unspent

SECTOR-WISE SPENDING ON CHILDREN

**Sector wise Spending on Children as Percentage of Social Sector Expenditure
(Union Budget)**

In percentage



**Sector-wise Spending on Children as Percentage of Social Sector Expenditure
(Union Budget)**

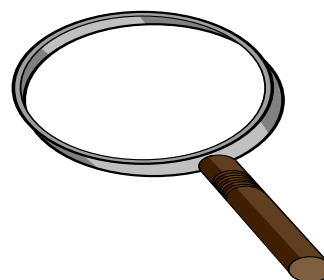
In percentage

Year	Health	Child Development	Education	Children in Difficult Circumstances	Spending on Children in the Social Sector
1990-91	1.9	5.3	4.6	0.2	12.0
1991-92	2.2	5.4	5.2	0.2	13.0
1992-93	2.4	6.2	5.0	0.2	13.9
1993-94	3.0	5.8	3.9	0.0	12.8

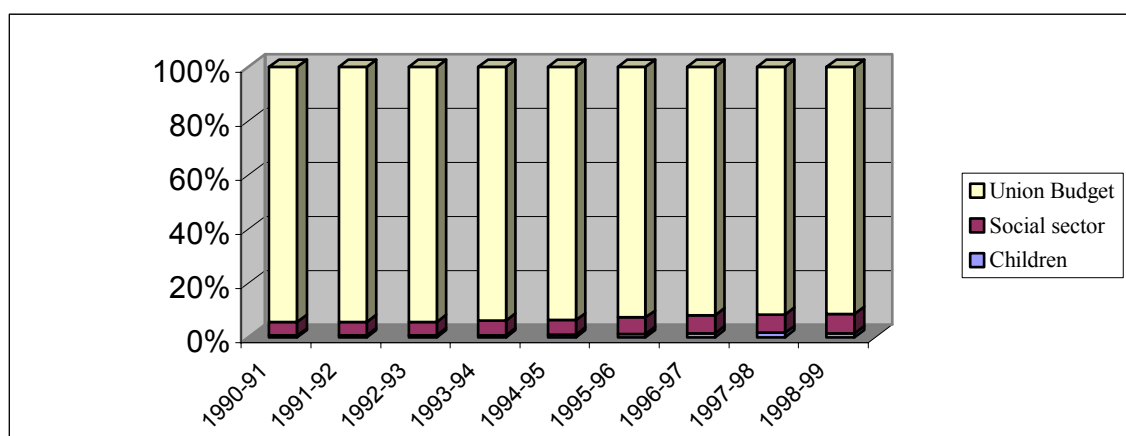
1994-95	4.5	6.3	6.4	0.1	17.2
1995-96	4.4	5.9	10.0	0.3	20.6
1996-97	4.5	5.3	11.8	0.3	22.0
1997-98	4.1	5.4	14.2	0.3	24.0
1998-99	2.3	5.3	13.4	0.2	21.3
Average	3.3	5.7	8.3	0.2	17.4

Sources: *Detailed Demands for Grants (1990-91 to 2000-2001).*

- Ministry of Human Resource Development
 - Ministry Social Justice and Empowerment
 - Ministry of Labour
 - Ministry of Health and Family Welfare
- Economic Survey.1999-2000.*



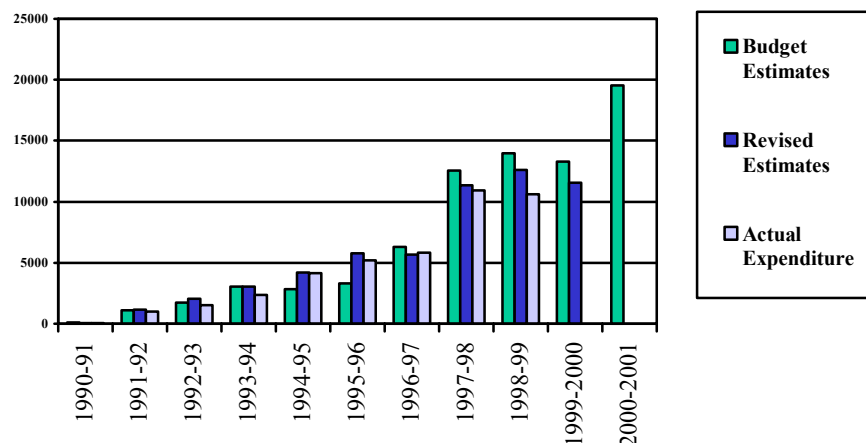
WHERE IS THE CHILD'S SHARE???



HOW MUCH DO WE DEPEND ON EXTERNAL AID?

External Aid in Budget Estimates, Revised Estimates and Actual Expenditure on Programmes for Children (Union Budget)

Rupees in millions



Sources: Detailed Demands for Grants (1990-91 to 2000-2001).

- *Ministry of Human Resource Development*
- *Ministry Social Justice and Empowerment*
- *Ministry of Labour*
- *Ministry of Health and Family Welfare*

Rate of Change in External Aid in Budget Estimates, Revised Estimates and Actual Expenditure on Programmes for Children (Union Budget)

In percentage

Year	Rate of change over the previous year		
	Budget Estimates	Revised Estimates	Actual Expenditure
1990-91			
1991-92	881.4	1792.9	2928.9
1992-93	52.0	72.5	47.8
1993-94	76.3	49.5	56.4
1994-95	-5.7	38.5	76.0
1995-96	16.6	38.0	24.8
1996-97	90.0	-1.8	12.3
1997-98	98.7	99.8	86.6
1998-99	11.2	11.2	-2.5
1999-2000	-4.7	-8.6	
2000-2001	47.0		

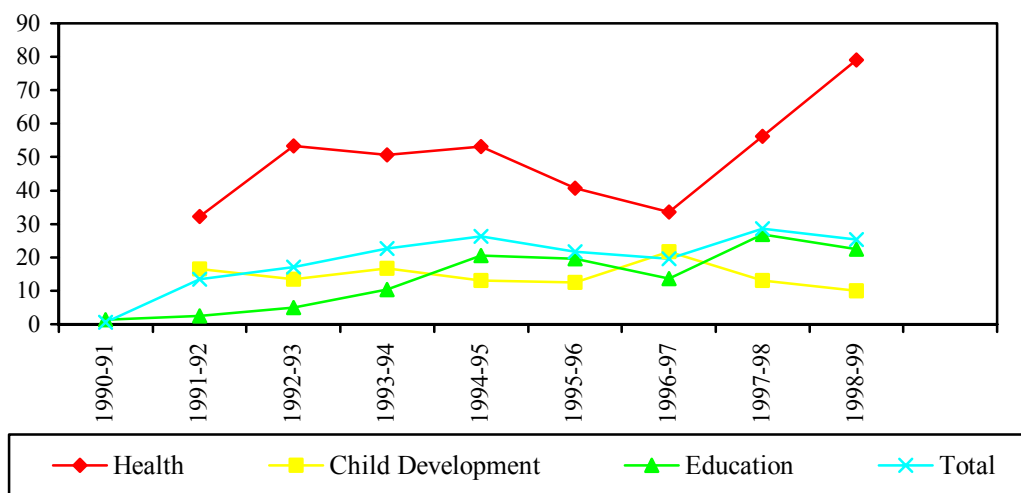
Sources: Detailed Demands for Grants (1990-91 to 2000-2001).

- *Ministry of Human Resource Development*
- *Ministry Social Justice and Empowerment*
- *Ministry of Health and Family Welfare*

EXTERNAL AID IN VARIOUS SECTORS

External Aid in Sectoral Spending on Children (Union Budget)

In percentage



Sources: Detailed Demands for Grants (1990-91 to 2000-2001).

- Ministry of Human Resource Development
- Ministry Social Justice and Empowerment
- Ministry of Labour
- Ministry of Health and Family Welfare

Share of External Aid in Sectoral Spending on Children (Union Budget)

In percentage

Year	Health	Child Development	Education	Total
1990-91			1.4	0.5
1991-92	32.2	16.5	2.5	13.4
1992-93	53.3	13.4	4.9	17.1
1993-94	50.6	16.7	10.3	22.7
1994-95	53.2	13.1	20.6	26.2
1995-96	40.6	12.4	19.6	21.7
1996-97	33.6	21.6	13.6	19.5
1997-98	56.3	13.0	26.9	28.6
1998-99	79	9.9	22.5	25.3
Average	49.9	14.6	13.6	19.5

Sources: Detailed Demands for Grants (1990-91 to 2000-2001).

- Ministry of Human Resource Development
- Ministry Social Justice and Empowerment

- *Ministry of Labour*
- *Ministry of Health and Family Welfare*

KEY FINDINGS

- **On average as little as 1.2 % of the Union Budget expenditure is on children.**

In other words, of every 100 Rupees spent in the Union Budget, only 1 Rupee and 20 Paise are spent on children.

- *Within the Social Sector Expenditure the share of children is 17.4 % for all categories of children.*
- *On an average 19.4% of the Union Budget spent on children has been externally aided.*

In other words, of every 100 rupees spent on children from the Union Budget, 19 Rupees and 40 paise comes from external sources and this amount is on the rise...

- *In 1997-98, the share of external aid in expenditure on children was 25.3% -highest between 1990-91 to 1998-99*
- *In the Budget estimates of 2000-2001 this has been projected to be 34%*
- *Maximum external aid has been in the health sector at an average of 49.9%. In 1998-99, this percentage was 79% and it is projected at 82.7% in the budget estimates of 2000-2001.*
- *The budget for child health is much lower than that for other sectors like education and child development. Even the little that is there for child health is largely externally aided.*
- *In larger programmes for children such as DPEP, RCH and ICDS and other such schemes are largely externally aided.*