

# PEOPLE'S CHARTER

For

## Union Budget 2008-09

### BACKGROUND

In continuation to the process initiated by several civil society organizations in 2003-2004, a National Convention of the People's Budget Initiative, attended by 177 delegates from across the country was held in New Delhi on 14<sup>th</sup> and 15<sup>th</sup> November 2007. Detailed deliberations were held on public provisioning and budgets for several themes including agriculture, food security, public health, education, fiscal decentralization, dalits, adivasis and nomadic tribes, women, children etc, under five thematic sessions and group discussions. The initiative drafted a People's Charter of Demands for consideration in the Union Budget 2008-09. While many such demands were drafted which are the unfinished promises of the Union Government, a few demands also highlight broader economic policy and governance issues related to Union Budget 2008-09. The following is the Charter of Demands developed through the process.

### BROADER ECONOMIC POLICY & GOVERNANCE ISSUES

- 1 Huge amount of revenue is currently being foregone as tax exemptions. All tax exemptions by the Union Government to big business enterprises should be stopped.
- 2 There is a need to limit the operation of Centrally Sponsored Schemes (CSS). This is in the light of the financial crisis faced by the states at present due to which they are unable to provide matching grants. It also hampers the utilisation of central grants and funds remain unspent.
- 3 States should be provided greater untied grants.
- 4 Greater emphasis should be given to build capacities of district and village level organizations for planning and monitoring at the district and local level. The existing government schemes which already have provision of decentralized planning and monitoring should provide more funds towards such kind of capacity building.
- 5 Privatisation of basic services such as health, water and education should be rolled back. Further, government should show its commitment to regulate private sector in existing social services. Government should not be signatory to any draft on GATS which considers social services like education, health, water services into its ambit. Government should further mobilize opinion within developing countries to resist such efforts.
- 6 At least 5% of GDP should be invested to provide social security to the unorganised sector. Since social securities are generally protectional labour policies, such a one time investment would help institutionalizing the process. Later on a small recurring amount may be made to the tune of 1% of GDP which would be helpful in maintaining the scheme.
- 7 The Union Government should take the necessary steps towards improving the processes of district-level planning, flow of funds, community participation, capacity building of existing and new programme staff, and availability of adequate programme staff in order to improve the implementation of schemes.

As developed through  
National Convention  
on Union Budget  
2008-09  
WWF Auditorium,  
Lodhi Road, New Delhi  
14<sup>th</sup>-15<sup>th</sup> November 2007

### ORGANISING COMMITTEE

ActionAid ♦ Amnesty International - India ♦ BARC ♦ CBGA ♦ CDSA ♦ Charkha ♦ CLRA  
CYSD ♦ ISST ♦ NACDOR ♦ National Social Watch Coalition ♦ NCAS ♦ NCDHR  
North East Network ♦ OLS Oxfam (India) Trust ♦ PWESCR ♦ Social Watch – Tamilnadu  
Samarthan ♦ Sanket ♦ Water Aid ♦ Wada Na Todo Abhiyan

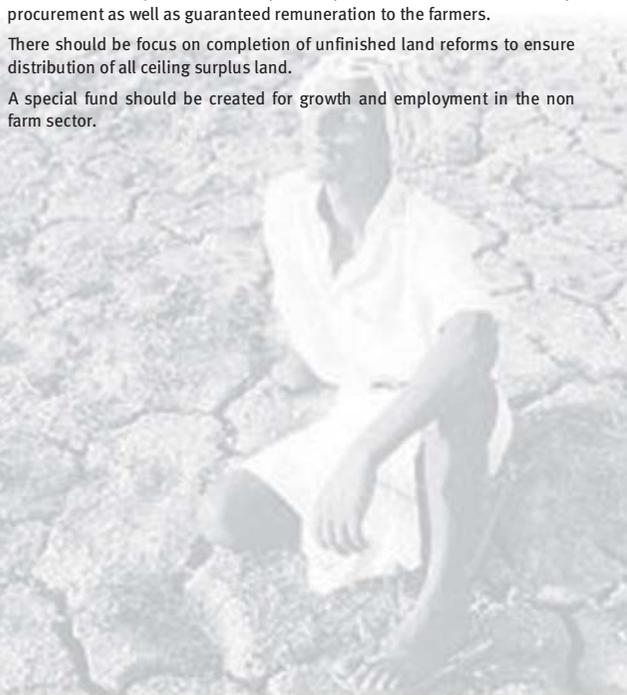
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**INSIDE** ♦ AGRICULTURE  
♦ HEALTH  
♦ EDUCATION  
♦ DALITS & ADIVASIS  
♦ WOMEN  
♦ CHILDREN





- 1 There should be budgetary provisions for developing a proper market mechanism for agricultural produce in India either through direct intervention by Government of India or through some special grants to State Governments.
- 2 Government should make a consistent effort to develop agricultural infrastructure including cold chains, transport, telecommunications etc., and these should have a clear reflection in the Budget 2008-09.
- 3 Village Panchayat level agro service centres across the country are needed and the Union Budget should have clear provisions regarding the same. Such service centres may have necessary agro equipments as well as human resources to provide extension service. These centres should also handle warehousing, storage, transport, input (seeds, fertilizer) supply and must ensure market convergence for the agricultural produce. Gram Panchayat officials should serve as primary managers and stakeholders.
- 4 A clear and time bound approach is needed for extending irrigation facilities and water management to all the lands across the country. As a major part of the agricultural land in the country is affected either by floods or droughts, location specific water management should be practiced and allocations must be made for these. Suitable provision for farmers insurance, crop insurance, institutional credits should be made in Budget 2008-09. Debts incurred for agricultural purposes may be written off for small and marginal farmers as well as the landless. Unorganized sector workers' social security legislation should be enacted without delay.
- 5 The current system of PDS "targeted" at families living below the poverty line should be replaced by a "universal" PDS. This should be provided for in the budget.
- 6 The Minimum Support Price (MSP) should be expanded to cover more crops and to make it more remunerative to producers. There should be price regulation and monitoring mechanism to regulate the procurement process. The government must ensure that local supply for each zone comes for meeting the minimum quota requirement. This will ensure crop procurement as well as guaranteed remuneration to the farmers.
- 7 There should be focus on completion of unfinished land reforms to ensure distribution of all ceiling surplus land.
- 8 A special fund should be created for growth and employment in the non farm sector.



- 1 Protection of children in difficult circumstances still remains a largely neglected area.
  - ❖ Hence, Union Budget outlays for ongoing child protection schemes such as Integrated Child Protection Scheme, National Child Labour Project, Scheme for Prevention & Control of Juvenile Social Maladjustment, Scheme for Rescue of Victims of Child Trafficking, and Short Stay Homes should be enhanced significantly.
  - ❖ At the same time, budgetary provisions should be made for monitoring the implementation of these schemes.
  - ❖ Provisions should be made to ensure at least one Girl Child Home for every two districts in the country.
  - ❖ The amount of relief/compensation given to the exploited girl child should be enhanced.
- 2 In order to achieve Universalisation of ICDS with acceptable quality of services delivered, outlay for ICDS needs to be stepped up significantly. At the same time, strong measures need to be taken to address all the identified bottlenecks in its implementation.
- 3 Plan outlays from the Union Budget on child specific schemes should be stepped up, recognising the dependence of States, especially the backward States having a large share of disadvantaged children, on Central Sector Schemes for children.
- 4 Targeted interventions by the government for improving child survival and child health, e.g. the schemes like Reproductive & Child Health (RCH) programme, Routine Immunization programme and Pulse Polio Eradication (all of which are presently under the National Rural Health Mission), should receive adequate fund support in Union Budget 2008-09. The bottlenecks in the implementation of these schemes should be addressed immediately both by the Union and State Governments.
- 5 Union Budget for 2008-09 should incorporate special measures towards stepping up the public spending on Education sector. Some of the important schemes delivering child education, e.g. Sarva Shiksha Abhiyan and Mid Day Meal, also require the Government to take wide-ranging measures for improving the process of their implementation.





- 1 Women's contribution in several sectors of our economy needs to be located in our policies.
  - ❖ Hence, it is important to prioritize universalisation of Gender budgeting (including gender audit) and Gender outcome assessment in all Ministries/Departments at Central and State levels
  - ❖ Allocations need to be provided in the Union Budget for capacity building of the Gender Budget Cells located in the different ministries so as to strengthen them.
  - ❖ The poor and even receding implementation of WCP as pointed by the Mid Term Appraisal of the Tenth Plan warrants special efforts at correction. There is urgent need for implementation of the WCP across all ministries which could ensure at least a minimum resource allocation targeted at women.
  - ❖ In the absence of sex disaggregated data, evaluation of schemes through a gender lens or any effort at strengthening gender dimensions of existing schemes poses a big question. So, provision of such data should be prioritized.
- 2 The Union Government should devise a scheme to address the concerns of women and children in the militancy affected areas
- 3 Adequate provisions need to be made for effective implementation of the Domestic Violence Act, 2005 and separate fund should be set up to gauge its implementation
- 4 Union Budget should make special provisions to set up District Level Women Commissions. Also the scope of activities of the existing national and state level women commissions needs to be expanded
- 5 With increasing women's role in the care economy (both paid and unpaid), adequate resource allocations need to be made to support women's care roles. A committee needs to be set up by the Central Government to devise a methodology of accounting women's unpaid work and thus recognise women's central role to the care economy
- 6 There is urgent need to introduce the Women's Reservation Bill
- 7 Considering the huge gender disparities in land ownership patterns, women's access to land needs to be strengthened immediately. Union Government should provide allocations in order to enhance legal awareness on inheritance laws, provide legal support services, and provide subsidized credit to poor by encouraging group formation for land purchase or lease by poor women.
- 8 In the light of the present agrarian crisis and the changing face of agriculture being highly gendered, the vulnerability of women in agriculture in particular needs attention in the larger context of food security.



## DEMANDS RELATED TO NCMP AND NRHM:

- 1 First of all UPA's commitment to spend 3% of GDP in health is far from being realized. Union Government needs to take serious measures in this regard. Until the financial conditions of the states get better, this goal is not going to get realized.
- 2 Last year we had demanded that the Centre should increase spending under NRHM more than the committed 30%. As we have seen, even that 30% is not being increased. A huge increase under NRHM is extremely important.
- 3 Communicable diseases like TB are still the major killers. Though these have been given special attention under NRHM, but spending has not increased significantly. There is urgent need to step up spending on communicable diseases.
- 4 Remuneration of ASHAs should be increased. It should not linked to performance or the number of cases they deal with.
- 5 Demands related to Janani Surakshya Yojana:
  - (a) Proper utilisation of JSY funds is not taking place because of difficulties in comprehending guidelines. It is important to simplify the guidelines of JSY and build capacities at different levels for their proper dissemination
  - (b) Women who deliver on their way to hospitals are not getting benefits of JSY. Thus, such provision should be included.

## DEMANDS ON INFRASTRUCTURE AND MANPOWER IN THE HEALTH SECTOR

- 6 In a situation where rural health services are at the brink of collapse, extra initiative should be given to boost capital expenditure. Additional resources need to be put in form both the centre and the states to augment rural health services.
- 7 Government should allocate funds to fulfill huge vacancies in different positions with in health service delivery.
- 8 ANMs should be provided transport and in difficult terrains male workers should be appointed to do the work.

## REGULATION OF PRIVATE SECTOR IN PROMSIONING OF HEALTH SERVICES:

- 9 Doctors who are working in big cities should be taxed more whereas incentives should be given to those who are practicing in rural areas or working as public servants.
- 10 There should be need based licensing of private nursing homes in localities. It should be decided by the local planning authorities.
- 11 No further incentive should be given to set private health facilities in localities which have high concentration of existing facilities.
- 12 No user charges should be imposed in government facilities.

## OTHER DEMANDS IN THE HEALTH SECTOR:

- 13 Additional levies can be imposed on consumption of health hazardous substances; 2% levy can provide resource equal to current budget of MoHFW.
- 14 Money collected in Rogi Kalyan Samiti remains unused- money collected so far should be used in meeting local demands, and further the guidelines for fund utilisation should be simplified.
- 15 All the 354 essential drugs should be brought under price control.
- 16 Government should not take any initiative to promote clinical trials and should revert back its subsidy from clinical trails.
- 17 Efforts towards promotion of traditional and tribe based communities' medicinal knowledge should be prioritized. This knowledge should not be allowed to be patented by the MNCs. It should be ensured that those who are traditionally practicing this knowledge should be able to get benefit from it.





- 1 Centre should provide adequate funds to the states to ensure enforceability of the Right to Education.
- 2 With regard to improvement of quality in education, allocations for teacher training must be increased substantially.
- 3 Education cess as an alternative to State contribution towards education sector needs to be re-examined. The increase in cess must not affect Centre's allocation for education which has seen a decline since the cess has been levied.
- 4 A committee needs to be constituted to ensure quality of education at all levels, especially at the elementary level.
- 5 While the concept of Centrally Sponsored Schemes must be done away with in the long run, the amount allocated to Teaching Learning Material grants must be increased from the present Rs.500/- per school to a more reasonable and practical amount.
- 6 Foreign direct investment as a policy for financing higher education must be done away with. In this regard, a key indicator is the growing number of deemed universities.
- 7 Subsidy given to education (under MPLADS and other similar schemes) must be made accountable.
- 8 The practice of giving license to private schools must be made more stringent and renewal of licenses must be based on performance measurement of schools and constant review of their policies (with regard to admittance and continued assistance to the marginalized).
- 9 Proper monitoring and regulatory mechanism must be in place with regard to spending on capacity building of elected and nominated functionaries at the sub-state (district) level. In this regard, inclusion of a course on Village Education Committee formation and its role in the teacher training module is one of the ways to address this.

- 1 All the central government Ministries must fulfill the allocation norms of Scheduled Caste Sub-Plan (SCSP) & Tribal Sub-Plan (TSP) i.e. 16% of total expenditure of every ministry must be earmarked for SCs and 8% for STs.
- 2 Like SCSP and TSP, special plan for Nomadic groups of people should be developed.
- 3 Since most of these vulnerable groups of people are landless and are occupied in agriculture, more allocations from the budget should be directed for the distribution of lands. It was also in our NCMP and is mandatory for the economic empowerment of the landless SC/STs.
- 4 The allocation of the budget for implementation of SC/ST Act (compensation, rehabilitation, restoration, Special Courts, etc) be fully utilized and should not be lapsed.
- 5 Certain proportion of the budgetary allocations must be channelized for initiating cooperative societies to enhance the economic gains and for protection of Dalits & Adivasis' rights over forest produce.
- 6 Relief and rehabilitation budget for survival from disaster and calamities should be increased and utilized properly.

