

BJP'S 'BIG BANG' REFORMS
BOOTING WOMEN
OUT
OF THE BUDGET

Smita Gupta

AN AIDWA PUBLICATION

Booting Women Out of the Budget

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April 2015

Price: Rs 5/-

Cover Design:

Published by

Jagmati Sangwan

General Secretary

ALL INDIA DEMOCRATIC WOMEN'S ASSOCIATION

No. 2253- E, Shadi Khampur, New Ranjit Nagar,
New Delhi-110008

Tel: 011-25700476/25709565

Email : aidwacec@gmail.com, aidwa@rediffmail.com

www.aidwaonline.org

Printed by:

Progressive Printer

FOREWORD

The experience of one year of Modi Sarkar has made it very clear that women, especially poor women and women belonging to minority, dalit and adivasi communities, are its special targets, bearing the brunt of its assault on their rights, their freedom, their autonomy, their livelihood, their safety, their homes and their access to healthcare and education.

Emboldened by the formation of a BJP Government, members of the Sangh Parivar who are its driving force and certainly not the 'fringe elements', as Modi-supporters would have us believe, have made the most atrocious anti-women statements. While telling Hindu women to turn themselves into baby-producing machines, they threaten Muslim and Christian women that their very right to have any children at all will be forcibly taken away from them. Day in and day out, their leaders (who are supported by many across the political spectrum with the honourable exception of the Left) blame women for the violence inflicted on them and the terrible insecurity they face both in the home and in public spaces. An MP accused of rape in Rajasthan finds a prominent place in the Modi Cabinet. The Land Acquisition Bill, the flouting and proposed scuttling of Environmental curbs on the acquisition of forest and other lands, and the denial of rights to forest dwellers who are facing more evictions than before are already having a most devastating effect on women in farming, tribal and forest-dwelling communities who are losing their homes and their livelihoods. This will only worsen in the days to come.

Women have to come to the forefront of the struggles against the Modi Sarkar. The AIDWA has reacted promptly with this analysis of the cuts in the recent Union Budget of 2015-16, and how they will have a most detrimental impact on women's lives. These cuts will only render women more vulnerable to unemployment, poverty, ill health, homelessness and insecurity of all kinds. It has embarked upon the task of mobilizing its own cadres and members for struggles. However, there is a need to involve different organizations and groups of people and initiate joint campaigns and struggles with the common objective of pushing back the anti-people, anti-women onslaught of this Government and the Sangh Parivar that is running it. We hope this small publication will contribute to this process.

Together, we must show the Modi Sarkar that women, especially the poor and most oppressed, will fight with tenacity not only to protect their rights and the small gains that they have made through decades of bitter struggle, but also to push back its onslaught and move forward on the difficult path to justice and emancipation.

Subhashini Ali

Vice President

All India Democratic Women's Association

April 2015

For over three decades now, neoliberal policies have resulted in the abandonment of the developmental, welfarist and protective role of the State. This happened through three mutually reinforcing processes, (a) A sharp decline in state expenditure on socio-economic development and welfare to retain the “confidence of investors”. (b) Devastation of national production activities due to competitive cheap imports after trade liberalization (c) Incentivization of private investment in infrastructure, real estate and industry through tax and price concessions and handing over of natural resources to unleash “animal spirits”. The priority given to attracting foreign investment and the lifting of restrictions on private corporate investment generated an extraordinary ‘race to the bottom’ among the state governments, who have been competing to offer more and more attractive concessions to woo private capital.

The Modi Government – The Savage Face of Neo-Liberal Economic Policies

However, the current Modi-led Government is not just doing ‘more of the same’. On the one hand it has given a huge thrust to massive transfers and concessions to big capital (foreign and domestic) for the “ease of doing business”, and on the other, it is undoing any semblance of ‘human face’ or ‘safety net’ measures to alleviate poverty, reduce economic distress or provide social services.

It is easily possible for the Modi Government to launch a massive programme to generate employment intensive growth, since the current account deficit is within control due to low global oil prices; inflationary pressures have eased primarily for this reason; the growth of GDP creates the possibility of earning higher tax revenues and there are more than abundant food stocks which can be used for partial payment of wages (instead of exporting them at cheap rates). The Economic Survey itself takes note of this opportunity, but doesn’t recognize its potential for equitable growth. Instead, it advises the government to use its political strength in Parliament to bulldoze anti-people policies that will ultimately undermine growth, equity and environmental sustainability. The Economic Survey is so excited about the possibilities due to “state capacity”, that it declares that “Nirvana today seems within reach”. The nation can attain the objective of “wiping every tear from every eye”. However, the direction of the government’s policy is quite obvious.

- The Modi Government has unashamedly adopted an anti-people pro-rich fiscal policy for “Big Bang reforms”. Suppose one accepts, for the sake of argument, the erroneous view that the government has to balance the budget and have no deficit on account of expenditure exceeding revenue. There are obviously two ways of doing this - by increasing income or by cutting expenditure. In a country with such high unmet social and economic needs, there is an urgent need to raise public expenditure financed by higher taxes from the rich and corporate sector. The Modi Government has done exactly the opposite: it has offered huge tax concessions and resource transfers to the rich and corporate sector while slashing developmental expenditure on

social and economic services like health, education, nutrition, social security, employment, etc. Thus an ever-increasing share of the high and rising incomes of the rich and profits of the corporate sector go untaxed with low priority to revenue mobilization through taxes.

- The reluctance or “failure” of the state to tax the rich exposes the fact that it is not an impartial actor, but a partisan agency working for the interests of the capitalist and elite sections by giving them handouts in the form of tax reductions or direct transfers. As a matter of fact, these resource transfers and tax concessions are seen as a virtuous national duty, as a means to promote growth through investor friendly investment policies by unleashing ‘animal spirits’. Handouts for the rich are treated very differently from welfare and subsidies; they are seen as growth generating, while the latter are supposed to be “wasteful and anti-growth”. Tax concessions to corporates are labelled “tax expenditures”, while welfare measures are called “subsidies” or “transfers” and seen to have no productive purpose.
- An outcome of this is that corruption and graft have become an integral part of the new growth strategy. This is rather ironic considering that neo-liberal policies were pushed under the pretext of cleansing the previous ‘license permit raj’ regime of corruption. The power and discretion to grant concessions and resources as largesse has meant that bureaucrats and politicians – policy makers in general – can seek kickbacks and commissions.
- It is going to get worse under the current regime – the economic survey wants increased public investment in infrastructure (power, roads railways and ports) and quick, cheap and easy clearances of all hurdles in this path. The land acquisition act in its even more rapacious form is evidently seen as central to this. The PM has centralized all powers and even senior bureaucrats and ministers are kept out of the loop when key policy decisions are taken. The pre-Budget Economic Survey too pitches for centralization of decision making powers, as it debunks federalism and the functional separation in the Constitution of the different arms of the nation – the Legislature, the Executive and the Judiciary. Exulting in the “unique window of political opportunity” because of the huge mandate the Modi government has received, the Survey basically indicates that the government intends to bulldoze “big bang reforms” like offering even greater incentives for private investment, rationalizing subsidies, creating a business friendly tax policy and accelerating disinvestment.
- The ‘Make in India’ strategy is a reflection of this anti-people approach of improving the “ease of doing business” by “reducing the costs of doing business”. There is really no new strategy for this. The components of this strategy are nothing new – they require a more aggressive and complete implementation of the UPA policies. These include the following:
 - Handing over of natural resources like land, minerals, water, etc. to the private sector through easing of environmental standards and facilitating easy access to cheap land and natural resources.
 - Looting the banking sector by redirecting public sector banking credit to private industry through reclassification and restructuring of unpaid outstanding debt under ‘Non Performing Assets’ (NPAs). While starving agriculture, the small scale sector and the poor of credit, NPAs accumulate and the capitalists refuse to repay them.

- Repeated policy utterances on ‘reforming’ labour laws and further flexibilizing the labour market. This may at first sight seem odd because from the point of view of profits, labour costs today constitute barely 2.4 per cent of total costs. Over 92 per cent of labour is unorganized, so further labour flexibility is unlikely to result in a substantive increase in profits. What this will do, though, is to send out the strong political message that this government has abandoned all protectionist and welfarist pretensions and is willing to fully and openly ally with the owners of capital to subjugate labour.
- Further deregulation of private investment, including allowing the entry of more foreign direct investment into sectors such as railways, defence and insurance.
- The most objectionable part of this policy is the thrust towards even greater reliance on public-private partnerships, a model that utterly failed during the two UPA tenures. As we saw, this is more fiscally demanding as far as public spending is concerned and is productively inefficient and fails to attract the investment in crucial infrastructure areas.

Reduction in Total Expenditure of the Central Government

The total expenditure of the Union Government has declined from Rs.17, 94892 crores in 2014-15 (BE) to Rs.17, 77477 crores in 2015-16 (BE) mostly on account of the reduced Plan expenditure by Rs. 1, and 09723 crores. From spending over 15% of the national income in the mid 2000s, it is now spending only 12.6%. **Each one per cent fall in expenditure is equal to a budget cut of Rs. 141089 crores. So this fall in expenditure as a ratio to GDP means an expenditure cut of over 3.38 lakh crores.**

Taking the budgetary spending of the Centre and States together, India’s total government spending compared to the size of its economy at 27 % of the GDP is far lower than that of developed and most developing countries. It is also one of the lowest among some of the fastest growing economies in the world, like Brazil (41.1%), Russia (37.9%), South Africa (33.1%) and Mexico (29%). This is because of lower levels of central tax revenue. India has a tax-GDP ratio of 10.3% for the union government and 17.9% for centre and states combined. This too is far below comparable countries like South Africa, Russia, and Brazil, where it is 28.2%, 30.6% and 33.7% respectively.

A progressive structure of taxation means that those who earn more, pay more taxes according to their ability to pay. In India, we have the opposite situation where for every Rs 100 collected as tax revenues, approximately Rs 70 comes from indirect taxes on goods and services consumed by the masses, (for e.g. match boxes, etc.) by the poor and most vulnerable sections of society, while a small share comes from taxes on income, profit, capital gains, property, etc. **Most of the proposals in this year’s budget are to increase indirect tax revenues, together with direct tax exemptions, which increase the regressive nature of the tax structure.**

Withdrawal of Central Government from Schemes

The government has divided schemes into three categories – those which will receive full support from the centre, those which will receive only capital costs and those to be discontinued. The union government has announced that it will continue to fully support only schemes which (a) represent national priorities like poverty alleviation, or (b) schemes mandated by legal obligations and those backed by cess collection or (c) those targeted to benefit the socially disadvantaged groups like SCs, STs, Muslims and physically challenged sections of the population. **We should note that this does not include important schemes related to children and women such as ICDS or schemes for protection and prevention of violence against women.**

Selected Schemes to be fully supported by Union Government

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA), Multi Sectoral Development Programme for Minorities (MSDP), Pre-Matric Scholarship for children of those engaged in unclean occupation, Scholarship schemes (Post and Pre Matric) for SC, ST and OBCs, Support for Machinery for implementation of Protection of Civil Rights Act, 1955 and Prevention of Atrocities Act 1989, National Programme for persons with Disabilities, Scheme for providing Education to Minorities, Umbrella scheme for education of ST Children, Indira Gandhi Matritva Sahyog Yojna (IGMSY), Integrated Child Protection Scheme (ICPS), Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (RGSEAG)- SABLA, National Nutrition Mission (NNM), Scheme for protection and development of women, Special Central Assistance to Tribal Sub-Plan, Sarva Shiksha Abhiyaan (Financed from Education Cess), Mid-Day Meal Scheme, Schemes of North Eastern Council, National Social Assistance Programme (NSAP) including Annapurna, Social Security for Unorganized Workers Scheme, Member of Parliament Local Area Development Scheme (MPLADS), Cess backed allocation for Pradhan Mantri Gram Sadak Yojna (PMGSY), Roads and Bridges financed from Central Road Fund, Project Tiger, Project Elephant

Furthermore, the funding pattern and sharing of expenditure between the State Government and the Central Government for several crucial social sector schemes has changed. From now on the centre will only bear capital costs (like building, vehicles, equipment) while the states will have to meet all running revenue costs like salaries, consumables and inputs. **This in effect means a steady phase out of Union government funding since capital expenditure on most of the listed programmes are tiny with a much larger revenue component to be met by States. So if the state governments are financially constrained (which by and large they are), these vital programmes will be adversely affected.**

Selected Schemes where Centre bears only Capital Expenditure

*Rashtriya Krishi Vikas Yojana, National Rural Drinking Water Programme, Swaccha Bharat Abhiyaan (Rural and Urban), National AIDS and STD Control programme, **National Health***

Mission, National Urban Livelihoods Mission (NULM), Rashtriya Madhyamik Shiksha Abhiyaan (RMSA), Strategic Assistance for State Higher Education - Rashtriya Uchcha Shiksha Abhiyan (RUSA), National Rural Livelihood Mission (NRLM), Rural Housing- Housing for All (IAY), Integrated Child Development Service, PMKSY(including Watershed programme and Micro irrigation).

Some schemes have been discontinued, the most notable amongst them being the Backward Regions Grant Funds.

Schemes to be discontinued by the Centre

National e-Governance Plan, Backward Regions Grant Funds, Modernization of Police Forces, Rajiv Gandhi Panchayat Sashaktikaran Abhiyaan (RGPSA), Scheme for Central Assistance to the States for developing export infrastructure, Scheme for setting up of 6000 Model Schools, National Mission on Food Processing, Tourist Infrastructure

Clearly, a bulk of the financial burden to provide for the social sector in areas like health, education, housing etc. as well as address the needs of socially disadvantaged sections of the population has been pushed on to the States on the false excuse of higher tax devolutions.

Rising Burden, Falling Transfer of Funds to States

The Union government's claim that the devolution to states has increased due to 'co-operative federalism' is false because the overall spending capacity for the states has in fact declined. Though the share of states in central taxes and non-plan grants as share of GDP does show an increase, the total Union resources transferred to states has declined because of the sharp reduction in central assistance to states from Rs 3,29,712 crores to Rs 1,95,778 crores. **Therefore even as national income grows, the transfer to states as a share of GDP falls from 6.2% to 5.9%.**

States are already spending, on an average, between 35-40% of their total budgets on the social sector, which has steadily increased since 2004-06 when it was around 30%. It must be remembered that the states have very limited avenues for resource mobilization since a bulk of the taxation powers are vested in the Union government. Also, they have enacted FRBM legislations binding them to fixed ratios of fiscal and revenue deficits which they cannot breach. This implies that State governments will find it very difficult to meet their greater burden to cater to social sector needs in the absence of higher Union transfers to states for the purpose.

Tax Concessions and Handouts to the Rich

In order to improve the "ease of doing business" in India and be more investor friendly, several sops were announced in this year's budget too. For one, the Corporate Tax is to be reduced from

30% to 25% over the next four years, starting next financial year. Secondly, General Anti Avoidance Rules (GAAR) are once again deferred by two years; to apply prospectively from 2017. This will encourage corporates and others to cheat on tax payment through the abuse of tax treaties, use of tax havens for the purpose of reducing tax bills and other cunning tax avoidance arrangements that will deny the country taxes. Wealth tax too has been abolished and replaced with 12 % surcharge on the super-rich who are a small section.

The 'Statement of Revenue Impact of Tax Incentives under the Central Tax System' states that the aggregate revenue impact of tax incentives is projected to be Rs.589285.2 crores for 2014-15.

The revenue foregone is estimated to be 43.2% of total tax revenue for the year 2014-15.

- Exemptions of corporate profits given to industries located in SEZ are estimated to be Rs.19,000 crores.
- Custom duty exemption given to gold and diamond traders is Rs 75,592 crores in 2015-16. This is 56% higher compared to the exemption given in the previous year
- Effective tax rates for cement manufacturing companies are as low as 5.84%
- Some mining contractors are charged with an effective tax rate of just 7.23%
- In the financial services sector, leasing companies are charged with a very low effective tax rate of 1.84%
- Effective tax rates for some of the film distribution firms are 9.23% against the statutory rate of 33.27%

Decline in Social Sector Spending by Central Government

The total expenditure of the Union government under its different social sector ministries/departments (excluding food subsidy) has remained more or less the same (Rs 235662 crores RE 2014-15 compared to Rs 236722 crores BE 2015-16); if food subsidy is included the trend remains the same (Rs.123366 crores RE 2014-15 compared to Rs.125474 crores BE 2015-16). But in this period, Governments have claimed that GDP has been growing by over 5 % each year, so the meager Rs 2000 crore increase pales into insignificance in comparison to rising national income (which is mostly concentrated in the hands of the rich and can be easily taxed). The share of social sector expenditure (including food subsidy) as % of GDP was 3.40% in 2010-11, 3.12% in 2011-12 and is now down to 2.57%. **This means that even if the really small 2010-11 ratio of social sector expenditure to national income was to be maintained, the Union government would be spending Rs. 1.4 lakh crores more on the social sector than what it is doing.**

- The National Health Mission (NHM) is one of the most important schemes in the health sector whose allocation in Budget 2015-16 shows a decrease of about Rs. 3900 crores. Overall, health outlay has declined by about Rs 6000 crores from Rs 37965.7 crores to Rs 32068.2 Crores (BE).
- Allocations for Sarva Shiksha Abhiyan (SSA) have declined from Rs 28258 crores to Rs 19800 crores; allocation for Mid Day Meal (MDM) has declined from Rs 13215 crores to Rs 7775

crores. The total allocation of the Department of School Education and Literacy and Department of Higher Education together, in 2015-16, is Rs. 69,075 crores, which is a 16.5% decline from 2014-15 (BE).

- The Union government has almost halved the budget for the Swachha Bharat Abhiyan (SBA) from Rs. 12100 crores in the 2014-15 (RE) to Rs. 6236 crores in 2015-16 (BE).
- The allocation of Rs.73270 crores under the Ministry of Rural Development for 2015-16 is down from Rs 83852 crores in 2014-15. Under MGNREGA there were unpaid wages in the year 2014-15, to the tune of about Rs 6000 crores. Accounting for these unpaid wages, the effective allocation stands at only about Rs. 27,200 crores, a cut of Rs 6000 crores from the previous year.
- Though there has been a small increase in allocation under food subsidy in absolute terms in the current budget (i.e. Rs. 124,419 crores in 2015-16 (BE) against Rs. 122676 crores in 2014-15 RE), food subsidy as a proportion of GDP and the total Union Budget has remained around one 1% and 7% respectively.
- The Union Budget 2014-15 has violated guidelines to allocate Plan resources for the Tribal Sub Plan and the Scheduled Castes Sub Plan (SCSP) at least in proportion to the ST and SC populations at 8.6% and 16.6% respectively. Instead the allocations are 7.8% for SCSP (down from 10.3%) and 5.1% for TSP (down from 6.4%), respectively. In Rupee terms the fall in TSP is from Rs 26715 crores to Rs 20536 crores and in SCSP from Rs 43208 crores to Rs 30851 crores.

Cuts in Expenditure and Closure of Schemes for Women

What is shocking is the manner in which the Gender Budget Statement (GBS) 2015-16 and the allocations to the Ministry of Women and Child Development reveal lower allocations and closure of quite a few significant schemes for women. The Gender Budget too has been severely cut by 20% (less by Rs. 20,000 crore) from about One lakh crores to Rs 79,258 crores. An analysis of GBS 2015-16 reflects the following changes:

Allocations to Select Schemes as Reflected in Gender Budget Statement (GBS) (in Rs. Crores)		
	2014-15 (BE)	2015-16 (BE)
Mid-Day Meal Scheme	3965	2771
SABLA	700	10
Scheme for Protection and Development	315	78

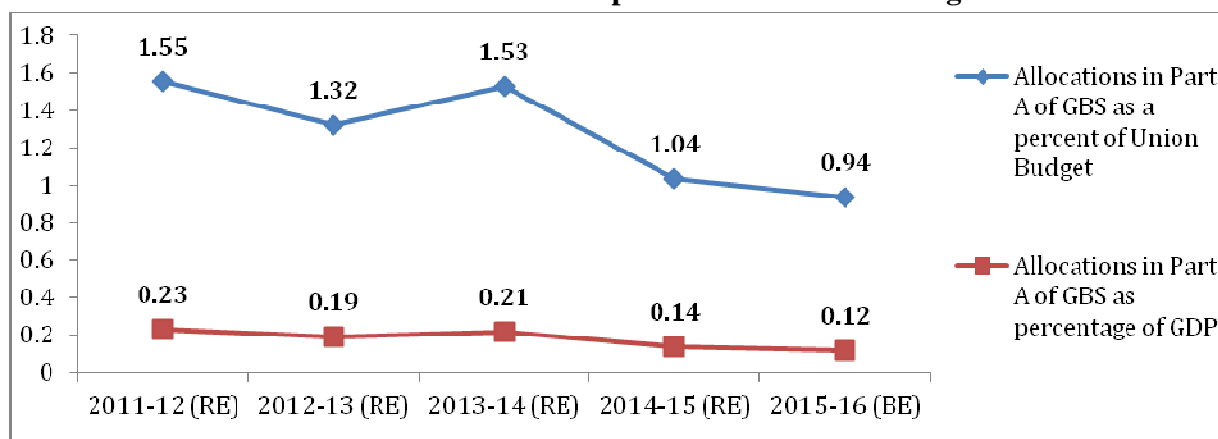
of Women*		
RMSA	1500	1010
RUSA	660	347
IAY	16000	10025
ICDS	10735	7502

* Includes National Mission for Empowerment of Women, *Swadhar Gruh*, Restorative Justice for Rape Victims, Assistance to Implementation of PWDVA Act, 2005

- Among the continuing schemes, allocations have been reduced in the Mid-Day Meal, Rajiv Gandhi Scheme for Empowerment of Adolescent Girls- SABLA and Umbrella Scheme for Protection and Development of Women.
- The Union Government has reduced allocations for a number of schemes impacting women: *Rashtriya Madhyamik Shiksha Abhiyan (RMSA)*, *Rashtriya Uchcha Shiksha Abhiyan (RUSA)*, *Indira Awas Yojana (IAY)* and Integrated Child Development Services (ICDS).
- Three schemes that were previously reported in the GBS have been discontinued i.e., *Rajiv Gandhi Panchayat Sashaktikaran Yojana*, Backward Regions Grant Fund and Scheme for setting up 6000 Model Schools.

Part A of the GBS reports funds exclusively for women. This has been low and falling almost continuously. The amount of funds intended exclusively for women have fallen as a percentage of the Union Budget and GDP in 2015-16, indicating reduced priority for women.

Allocations in Part A of GBS as a Proportion of the Union Budget and GDP



Note: GDP figures upto 2010-11 based on old series (2004-05). GDP Figures from 2011-12 onwards based on new series (2011-12)

Source: Compiled by CBGA from Union Budget Documents, Various Years

The Ministry of Women and Child Development (MWCD) is the nodal ministry for the “welfare, development and empowerment of women”. The budgetary allocations to the Ministry have declined from Rs. 21,193 crores in 2014-15 (BE) to Rs. 10,382 crores in 2015-16 (BE).

**Allocations to Schemes to be fully supported by Union Government
(In Rs. Crore)**

Schemes	2014-15		2015-16
	(BE)	(RE)	(BE)
<i>Indira Gandhi Matritva Sahyog Yojana</i>	400	360	402.23
<i>Swadhar Gruha</i>	115	30	50
Restorative Justice to Rape Victims	20	0	0
<i>Rashtriya Mahila Kosh</i>	20	0	0
<i>Beti Bachao, Beti Padhao*</i>	90	45	97
One Stop Crisis Centres	20	0	2
Women’s Helpline	10	0	1
National Mission for Empowerment of Women	90	10	25
Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA)	700	630	10
Assistance to States for Implementation of Protection of Women From Domestic Violence Act,2005	50	0	0

Note: Figures include lump sum provision for North East Region (NER) and Sikkim

*Does not include lump sum provision for the NER

Source: Compiled by CBGA from the Union Budget documents

Most of the schemes that were fully supported by the Union Government have either been discontinued, or will in all likelihood be withdrawn in the near future. The Scheme for Assistance to States for Implementation of Protection of Women from Domestic Violence Act, 2005, *Rashtriya Mahila Kosh* and Restorative Justice to Rape Victims have zero allocation. Allocations to Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA), Women’s Helpline, *Swadhar Gruh* and one Stop Crisis Centres have been drastically cut. *Indira Gandhi Matritva Sahyog Yojana* will continue to be implemented in only 53 districts on a pilot basis.

The need to build up budgetary outlays, particularly to deal with violence against women, has been disregarded in Budget 2015-16. Several critical schemes to address the requirements of women in distress have been withdrawn like ‘One Stop Crisis Centre’ in each district of the country. Even the BJP’s own Manifesto that promised operationalisation of the Scheme for Restorative Justice to Rape Victims and introduction of an Acid Attack Victim’s Welfare Fund has been ignored.

Another Rs.1000 crore has been added to the Nirbhaya Fund making it a total of Rs.3,000 crores (Department of Economic Affairs). This fund has remained mostly unutilized or is meeting expenditure for existing Schemes.

The allocations to *Swadhar Gruh* and SABLA are coming from the Nirbhaya Fund. Resources under the *Nirbhaya* Fund were meant for substantive interventions for safety and security of women and not for meeting expenses under ongoing schemes.

The biggest hit is the shared ICDS. The Union Government allocations to ICDS in BE 2015-16 is Rs. 8,754 crore as against Rs.18,391 crore in BE 2014-15. The Union Government will only provide capital expenditure (such as construction of *Anganwadi* Centres etc.). The states will have to meet the recurring revenue expenditure (like honorarium to *Anganwadi* Workers), which is the main expenditure under the scheme.

The Economic Survey, 2014-2015 the Government states that it aims at ‘Wiping every tear from every eye’; in reality it has increased the burdens of the poor and working people. The Modi Government’s Budget reveals its callous attitude towards women. If anything, it has brought tears of anger in women’s eyes. The Budget reflects the mindset of the Rashtriya Swayamsevak Sangh (RSS) that views women’s primary role as within the home, and invisibilises their huge and meaningful contribution to the economy and society, as workers and citizens. It shows how neoliberal economic policies, in tandem with conservative forces further marginalize women. Inflation and job losses are sought to be glossed over by emphasizing and glorifying women’s role in the family. This also facilitates the burdening of women with care work within the household especially when the state is giving up its responsibilities in the spheres of health, education, child and elderly care.

AIDWA pledges to fight these anti-poor, anti-women policies of the Modi-led BJP government!

WE DEMAND:

1. Restoration and enhancement of allocations to the Ministry of Women and Child Development - In particular:
2. The Umbrella Scheme for Protection of Women should be strengthened. Given the huge increase in sexual crimes against women, the allocations for the scheme (Restorative Justice) for the relief and rehabilitation of rape victims should be enhanced. The Central assistance for the implementation of the PWDV Act should not just be restored but increased considering that state governments are reluctant to fund it. The Acid Attack Victims Welfare Fund for covering treatment costs, as committed in the BJP manifesto should be introduced.

3. There should be adequate funds for setting up at least one “One Stop Crisis Centre” in every block on a priority basis to ensure immediate relief to women survivors of violence.
4. Assistance for Construction of shelter homes for single women/destitute and widows is grossly insufficient and needs to be enhanced so that there is at least one such home in each block in the country.
5. Instead of cutting funds for the ICDS program, it should be universalised, for which an allocation of at least Rs 24000 crores should be made in the current budget.
6. The *Nirbhaya* Fund of Rs 3000 crores should not be diverted to other schemes, and should be utilised for putting in place comprehensive measures including relief and rehabilitation of victims, safety plans for women, gender sensitisation training, etc. It should be administered by the WCD Ministry.
7. Funds should be made available so that ASHA workers and *Anganwadi* Workers and *Anganwadi* Helpers are regularised; they should be paid minimum wages and provided with social security.
8. The allocations for MNREGA should be such as to provide for payment of minimum wages for at least 100 days of work, and include payment of arrears on account of wages.
9. The food subsidy should be increased substantially to at least 2% of the GDP in order to universalise the Public Distribution System and provide a minimum of 35 kgs of cereals at not more than Rs 2 per kg, along with other essential commodities at controlled prices.
10. The government should provide for a minimum universal non-contributory publicly funded pension for Rs 3000 per month for all women above the age of 55 years, and for all widows and disabled women irrespective of age. Special pension schemes for women who are victims of state violence, the “half widows” of Kashmir, and those affected by violence in conflict areas should be designed with adequate funding.
11. At least 6% of the GDP should be allocated for public health care with emphasis on strengthening rural health care infrastructure. All forms of user fees in the public health system should be withdrawn and essential drugs and diagnostics provided free of cost in all public health facilities. The entire essential drug list should be brought under price control. The approach towards women’s health should also focus on a life-cycle approach, to address the differential concerns related to women’s health. There should be enhanced allocation for training of nurses.
12. At least 6% of GDP should be allocated towards implementation of the RTE Act, improving quality of education and enhancing higher education
13. The cuts in allocations for sub-plans for dalits and tribals should be restored, the budgets enhanced in line with the proportion of these sections (8.6% for ST and 16.6% for SC) in the population. There should be a substantial increase in the allocation for the development of minorities. There should be at least 30% allocations for women within schemes for SC, ST, Denotified Tribes, Minorities and other socially deprived groups.

14. The government must stop giving tax concessions to the rich and corporate sector and instead raise taxes on the wealthy and the corporate sector. It should take effective measures to unearth and recover huge accumulation of black money in the economy, including unaccounted money in tax havens abroad and use it for strengthening social security programmes.
15. Measures should be taken to reverse the current trend of declining government expenditure. Public expenditure for employment generation, basic needs and the social sector must be increased.
16. The Union Government must provide the financial resources through the provision of a higher proportion of flexible or untied funds to States for them to fulfill the bulk of the economic and social developmental activities as per their constitutional responsibility. This is particularly important at a time when several Schemes are being transferred from the centre to the states. The sharp cut in the plan funds and central assistance devolved to the states must be reversed and devolution must be brought up to at least 8% of GDP.
17. It is necessary to make available data on beneficiaries of different welfare schemes disaggregated on the basis of gender, caste and community groups in order to enable a proper assessment of their outcomes on different social groups of women. The Gender Budget statement should reflect the challenges identified by each department in attaining gender parity and the schemes that have been designed with a view to address these issues.

JOINT BUDGET MEMORANDUM TO THE FINANCE MINISTER

To:

Shri Arun Jaitley
Hon'ble Finance Minister
Government of India
New Delhi - 110001

Sub: Budget Memorandum from National Women's Organisations

Dear Shri Jaitley Ji ,

Through this memorandum, we the undersigned women's organizations wish to draw your attention to the pressing issues facing the mass of Indian women that need to be addressed in the forthcoming Annual Budget for 2015-16. We would also like to take this opportunity to reiterate our long standing demand that as is the practice with inviting representatives of trade unions and business organizations, representatives of national women's organizations should be part of the pre-Budget discussions on a regular basis.

We would like to foreground our demands and expectations from the Budget by briefly stating our major concerns regarding the policy direction of your government.

You would recollect that your government came to power in May 2014 on the background of certain promises made in your election manifesto. For example, you stated that you would “*put in place strict measures and special Courts to stop hoarding and black marketing*” to rein in price rise (page 4 of your Manifesto 2014), or that “*universal food security is integral to national security*”, that you are committed to “*empowering each and every Indian through health and education,*”, your aim is to “*gainfully employ rural poor in agriculture and allied activities*”, (page 15). The section on Women (page 21) had several measures to improve the social and economic status of women.

However it is regrettable that within a few months, many of these promises remain on paper. In fact some of the steps taken by your government have actually been in the opposite direction. Your government’s slogan of ‘development and prosperity’ is proving to be a chimera. There appears to be a stealthy cut in budgetary allocations especially for social sectors such as health, social security and education, and on public services. We understand that the Finance Ministry has informed various Ministries that there will be significant reductions in allocations in the remainder of the financial year until March 2015. Important departments such as Health, Rural Development, Panchayati Raj and Drinking Water and Sanitation are to face cuts of around 20-25%. One of the most harmful cuts is of Rs 3000 crores in the MGNREGA Act. Since the poor and especially poor women are dependent on different types of public services, these cuts will have very negative consequences for the mass of women of the country.

There has been no let up in the prices of essential commodities, especially food and fuel, which are of primary concern to women. Despite a dramatic decline in the international price of crude oil by around 60%, the government has failed to pass on this advantage to the people, using it to instead rake in more revenue in the form of enhanced excise duties on petrol and diesel to the tune of Rs 20000 crores. In comparison, the price of diesel was cut only by 11% and petrol by 19%. Further, the prices of essentials such as grains, sugar, milk, vegetables remain unacceptably high, because the market prices are controlled by powerful trader lobbies. There is actually a need for the Government of India to invoke the provisions of the Essential Commodities Act to control the prices of these necessities and make them available at controlled prices through the Public Distribution System.

We are especially concerned with the emphasis on targeting of fuel and food subsidies and anti-poverty schemes, in the name of rationalization and efficiency. This is sought to be achieved through an elaborate architecture of UID-bank-mobile linkages which are fraught with difficulties, especially for poor women who lack education, access to the banking system, and are unable to utilize modern technological devices. We are particularly concerned that

ineligibility due to stringent conditions of targeting, and the technological weaknesses of the systems used to implement these elaborate programs will result in them being unable to access these goods and services. We are afraid that there will be a reduction in the government's subsidy bill at the expense of the poor.

There is no doubt that increasing violence against women remains an issue of gravest concern. However, we are deeply concerned about the manner in which the issue of rising crimes against women is sought to be addressed by this government. We wish to point out that this is not to be viewed only as a law and order issue. As ably pointed out by the Verma Committee Report, it requires multi-dimensional approaches including enhanced public provisions for sensitive policing, safe and affordable public transport, properly lit public spaces, schemes for relief and rehabilitation of survivors of violence against women including medical assistance, shelters, etc., implementation of gender - just laws, etc. and for campaigns that uphold the values of equality and the democratic rights of women. Unfortunately, we see the issue being reduced to one of enhanced surveillance and technological solutions (such as CCTVs and Mobile Apps) that in fact lead to greater controls over women and restricting their freedoms in the name of better security. We wish to point out that anti-women statements made by some members of the Cabinet and MPs of the ruling party about the role of women in society reflect highly conservative notions about the role of women in society and reinforce their stereotypes as either mothers and homemakers, or hapless victims of male domination. They portray women as being responsible for violence faced by them, denying the role played by class, caste and patriarchal structures in perpetrating this violence, that result in a general social atmosphere that is inimical to the freedom of women. The manner in which the proposal for "One-stop Crisis Centres" was turned down shows the lack of concern of your government for this important issue. We hope your Budget will ensure adequate budgetary provisions for the various laws that have been implemented for the safety and security of women.

In this context we are placing before you our suggestions and demands for the forthcoming Union Budget 2015-16.

Against Violence and for Security:

The Union Government should provide central budgetary support for the effective implementation of the PWDV Act, the Prevention of Sexual Harassment at the Workplace Act, the Dowry Prohibition Act, the POCSO Act, the Prevention of Atrocities against SCs and STs Act and for schemes to support survivors of crimes against women, particularly sexual assault, acid attacks, honour crimes and sectarian violence.

Nirbhaya Fund: Despite the low allocation of Rs. 1000 crore (barely 0.05 percent of the Total Budget Expenditure of the Union Government, the Fund remained unutilized in the year 2013-14. The schemes announced so far are geared to greater IT led surveillance and emergency

response systems to be used *after* women have been attacked. We feel that there has to be a greater emphasis on schemes that provide institutional support in shelter homes as well as individual benefits and relief to survivors. These include one-stop shelter homes set up in every district that do hand-holding and provide medical and legal support as well as rehabilitative measures where necessary, including short-stay.

Secondly, its present location in the Ministry of Finance should be changed and the Ministry of Women and Child Development should be made the nodal agency, with a National Council comprising women's organizations, students' organizations, etc. to monitor and evaluate the implementation.

For Food Security and Against Price Rise:

We strongly oppose the recommendations of the High Level Committee (Shantakumar Committee Report) that calls for privatizing food procurement operations and reduction in the beneficiaries of the PDS to merely 40% of total households.

We demand near universalisation of the PDS with exclusion of only income tax payers. A minimum entitlement of 35kgs or 7 kgs per person, whichever is higher of foodgrains supply per household should be ensured.

The PDS should be strengthened to provide pulses, sugar, tea, edible oil, salt, milk, vegetables and other essential commodities at controlled prices through fair price shops.

Strict action should be taken against hoarders and blackmarketeers under the Essential Commodities Act.

Futures trading in essential commodities should be banned along with the export and auction of foodstocks; instead these should be given to the states. The government should extend procurement of all food crops at remunerative prices in all areas of the country.

There should be a substantial increase in resources in order to universalise the ICDS. Budgetary allocations to ensure hot cooked meals in ICDS, MDMS and other nutrition programs should be increased.

The government should ensure a minimum quota of at least 5 litres of kerosene per person at controlled prices through the PDS shops, and provide subsidized LPG for cooking Mid Day Meals and ICDS Centres.

The prices of petrol and diesel should be reduced commensurate with the decline in prices of crude oil and by cutting excise and customs duties.

Women's Work and Employment:

There should be no dilution of the Mahatma Gandhi National Rural Employment Guarantee Scheme. It should continue to be a universal and not restricted to so-called 'backward areas'. The budgetary allocation should be enhanced to 10% over and above last year's allocation. There should be no change in the labour to material ratio which will encourage corruption, contractorisation and squeeze employment. The Central Government should not pay less than the statutory minimum wages set by the States with full price indexing. The schedule of rates has to be revised on the basis of realistic, gender-sensitive work norms so that women receive minimum wages.

In order to address the depressing state of female employment in urban areas, the Government should provide for and enact an effective Urban Employment Guarantee Act.

There should be universalisation of the Matritva Sahyog Yojana.

The government should formulate and implement a universal and mandatory child care scheme.

ICDS, ASHA, Mid Day Meal and other scheme workers should be regularized with minimum wages, pensions and social security benefits for all.

The Unorganised Workers Social Security Act of 2008 should be implemented by universalizing its provisions for all workers irrespective of all occupations and industry. There should be adequate budgetary support to implement various social security schemes in a single window system.

The coverage of the SHG bank linkage programme should be expanded. The government should include women's Self Help Groups as part of priority sector credit sector and interest subsidies on bank lending to SHGs should be increased through higher budgetary allocations for SHGs so that their repayment rate does not exceed 4% per annum. Women from vulnerable social groups like dalits, tribals and minorities should receive credit at interest rates that do not exceed 2% per annum. There should be allocations for training and marketing support for their products. All delivery mechanisms should be intrinsically linked to local self government institutions.

Social Development:

The government should provide for a minimum universal non-contributory publicly funded pension for Rs 3000 per month for all women above the age of 55 years, and for all widows and disabled women irrespective of age. Special pension schemes for women who are victims of state violence, the "half widows" of Kashmir, and those affected by violence in conflict areas should be designed with adequate funding.

There should be budgetary support for schemes to assist women-headed households, single women of different categories, senior citizens, victims of violence, and differently - abled

women and recognize women from economically-motivated suicide affected households (peasants, handloom workers, etc) as a special category.

At least 6% of the GDP should be allocated for public health care with emphasis on strengthening rural health care infrastructure. All forms of user fees in the public health system should be withdrawn and essential drugs and diagnostics provided free of cost in all public health facilities. The entire essential drug list should be brought under price control. There should be enhanced allocation for training of nurses.

At least 6% of GDP should be allocated towards implementation of the RTE Act, improving quality of education and enhancing higher education.

There should be greater budgetary support for promoting and financially supporting Women's Studies Centres in all Universities across the country.

To strengthen the 50% elected women representatives at the local self government level, there is a need to provide financial support in the form of honorarium for members, travel allowances, sitting fees etc. Budgetary provisions to support training of these members should be enhanced.

The government should facilitate a process for village, taluka/block and district panchayats to prepare a scheduled caste/ tribe development plan with a clear gender responsive component..

Resource Mobilisation and Budgetary Allocations:

In order to ensure that at least 30% of funds are allocated for women, proper gender based plans should be drawn up by each Department and Ministry. Each scheme should have a MIS to monitor allocations, expenditures and number of women beneficiaries.

There should be at least 30% allocations for women within schemes for SC, ST, Denotified Tribes, Minorities and other socially deprived groups. Allocations for sub-plans for dalits and tribals should not be diverted. The government should provide for the reparation and compensation of families of wrongfully confined minority and tribal youth.

The government must stop giving tax concessions to the rich and corporate sector and instead raise taxes on the wealthy and the corporate sector. It should take effective measures to unearth and recover huge accumulation of black money in the economy, including unaccounted money in tax havens abroad and use it for strengthening social security programmes.

It is necessary to make available data on beneficiaries of different welfare schemes disaggregated on the basis of gender, caste and community groups in order to enable a proper assessment of their outcomes on different social groups of women..

We, the undersigned women organizations urge you to take these aspects into consideration and ensure that the Union Budget 2015-16 adequately reflects the concerns of women.

With thanks, and in anticipation

Vimal Thorat, *All India Dalit Mahila Adhikar Manch*

Jagmati Sangwan, *All India Democratic Women's Association*

Annie Raja, *National Federation of Indian Women*

Mohini Giri, *Guild of Service*

Jyotsna Chatterjee, *Joint Women's Program*

Azra Abidi, *Muslim Women's Forum*

Beena Jain, *All India Women's Council*

Vinodhini Moses, *Young Women's Christian Association*

25th February 2015

