

Union Budget 2021: Slashed funds for NREGA, Poshan Abhiyan 2.0, elderly pensions reflect poorly on Centre

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The biggest hoodwink is the starved Poshan Abhiyan 2.0, which though merges the Supplementary Nutrition Programme and the Poshan Abhiyan, has been allocated an amount less than what was prescribed for Anganwadi services in 2020

Swati Narayan February 02, 2021 19:23:13 IST



Representational image. Reuters

In a post-truth world, the plain cold statistics in the fine print of the Union Budget 2021 often reveal more than the Union Finance Minister Nirmala Sitharaman's speech.

The budget for NREGA labourers has been slashed despite the surge in demand after the COVID-19 pandemic. Even as farmers from across India are braving the cold Delhi winter, the government has nearly halved the budget for decentralised procurement of foodgrains. Children have also been the hardest hit despite the rhetoric of Poshan Abhiyan 2.0. The poor in India have truly been left Atma Nirbhar.

The elderly and destitute have been the most vulnerable to the pandemic. But old age, widow and disability pensions rather than keep pace with inflation, have been slashed from the revised estimates of Rs 11,639 crore to Rs 9,117 crore collectively.

This implies that the advance pension provided during the lockdown was the only one-time lifeline extended.

Anyways, the National Social Assistance Programme (NSAP) is restricted to only officially identified Below Poverty Line (BPL) families, as a result of which half of the eligible beneficiaries remain excluded. To add insult to injury, the pension amount has not increased from ₹7 per day for the last decade.

The senior citizen exemption from filing income tax will hardly cut ice with the majority who do not even earn a pension. The health budget is also largely an eyewash and there has not even been a commitment that COVID-19 vaccines will be provided free of cost, if only to the elderly.

Even more worrying is the slash in the NREGA budget. While the 2020-21 budget earmarked Rs 61,500 crore, with the surge in demand after the COVID-19 pandemic, the revised estimate increased the allocation to Rs 1,11,500 crore. However, the 2021-22 budget has reduced the allocation to Rs 73,000 crore even as several states and local governments have already exhausted their budgets and have been clamouring for more. All migrants get in concrete terms too is affordable rental accommodation in the future, if at all they are built by private builders.

The biggest hoodwink, however, is the starved Poshan Abhiyan 2.0. Though the Finance Minister announced with much fanfare that “we will merge the Supplementary Nutrition Programme and the Poshan Abhiyan and launch the Mission Poshan 2.0”, the allocation for the newer version is even less than the amount allocated for Anganwadi services (erstwhile core ICDS) alone in the 2020-2021 budget. Similarly, the Pradhan Mantri Matru Vandana Yojana has seen a cut in real terms. The education allocation has also been slashed by Rs 6,000 crore even as schools have struggled to cope during the pandemic.

Lastly, farmers have also been given a short-shrift. Prior to the National Food Security Act, procurement by the Food Corporation of India (FCI) was largely concentrated in the green revolution states of Punjab and Haryana. But with the law’s impetus for PDS reforms, 17 states currently engage in decentralised procurement (DCP) — from 41 percent of the wheat harvest in Madhya Pradesh to 100 percent of the rice harvest in Telangana as per the Food Ministry.

Local procurement lowers the cost of transportation and storage, apart from reducing the carbon footprint of the gargantuan procurement operations. But the finance minister instead of guaranteeing MSP to soothe farmer demands nationwide, has shrunk the DCP budget even while the overall subsidy to the FCI has marginally increased. In either case, FCI godowns are currently brimming with 77 million metric tonnes of foodgrain, but there has been no announcement to universalise the public distribution system.

Tellingly, in her speech, the finance minister mentioned the word poor merely thrice and migrants four times. Clearly, this is a poor budget for the poor.

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