

Budget and Scheduled Caste (Analysis of Union Budget 2010-11)

The Special Component Plan (SCP) and Tribal Sub Plan (TSP) are the policy attempt by the government to empower Dalits and indigenous communities (hereafter SC/STs) by developing their capabilities and creating economic opportunities for them. This is done by developing new programmes and spending extra budget allocations specifically on these groups.

SCP and TSP mandate governments to allocate the budget for the welfare of SC/STs in proportion to their population, i.e. 16.23 percent and 8.2 percent respectively. Since the plans were created in 1979-80, allocations have been very low. An analysis of the union budgets of Indian governments points to a number of anomalies in the implementation of the SCP and TSP.

1. In the 2010-11 budget out of total Plan Outlay available with the Ministry / Departments of the Central Government Rs. 284284 Cr.,*) only Rs. 20624.23 Cr. (7.25%) is being allocated under SCP and Rs. 11745.92 Cr. (4.13%) under TSP. The amount denied to Scheduled Castes is Rs. 25429.78 Cr. and to Scheduled Tribe is Rs. 11565.35 Cr. This is a huge amount which could have brought substantial changes in Dalits' life by improving their technical skills, employment opportunities, infrastructure development etc.
2. Of 83 Departments/Ministries with Plan allocations, only 18 have allocated SCP and TSP from their Annual Plan Expenditure.
3. Eight of the Departments/Ministries who have allocated funds have allocated below five percent of their annual plan.
4. 23 Departments/Ministries are not allocating funds claiming indivisibility.
5. Allocations are generally made in the social sector ministries. High growth ministries do not allocate funds under the SCP/TSP.
6. Non-opening of minor code 789 and 796 to SCP and TSP respectively despite the clear direction from Comptroller General Accounts for transparent accounting procedures. Till now, the Ministry of Micro, Small and Medium Enterprises has opened 789 code.
7. High growth departments like Department of Information technology, Infrastructure, Mining, Industries etc. have no schemes to benefit SCs or STs.

India's GDP growth (7.2 percent in 2009-2010) is second only to that of China. But the expenditure on Dalits is only 0.38% of GDP. The GDP in 2009-10 at factor cost was Rs.4453064 crores but Expenditure on Dalits had a mere share of Rs.16864.32 crores.

It is not the unavailability of money that hinders government spending on SCs & STs, but a lack of political will. During this Plan Period (2007-12) Rs.75644.83 crores are diverted from SCP to others departments, a huge amount which could have brought substantial changes to the lives of many Dalits by improving their technical skills and employment opportunities and developing infrastructure for their benefit.

Recommendations on SCP & TSP

1. SCP should be made into an Act which defines clear entitlements for Dalits and has necessary redress mechanisms to ensure that all duty bearers implement SCP effectively.
2. Consultations with SC organisations and leaders during the planning of the budgets are to be made mandatory.
3. The Ministry of Social Justice & Empowerment (MSJE), with sufficient human resources, has to play an effective role in the coordination and implementation of SCP. In particular, MSJE should ensure: separate earmarking and scheme-wise allocation by the Ministries in their respective Annual Plans; preparation of a Link Budget Book on SCP; performance analysis of SCP; and granting of SCP utilisation certificates.
4. The Planning Commission, as a monitoring and review authority, needs to develop a separate set of duties and functions to ensure transparency and accountability by executives responsible for the planning, formulation, implementing, monitoring and evaluation of SCP.
5. Each Ministry should have sufficient human and financial resources for effectively implementing SCP and for tackling issues emerging from new developments.
6. The excuse of “indivisibility” should not be entertained as a reason for unwillingness to have innovative programmes under SCP.
7. Minor code 789 for SCP should be opened in all ministries/departments.

All state governments are to constitute SCP Monitoring Committees wherein SC educated youth are invited to be members of these committees to take active part in monitoring SCP planning and implementation at the State, Department / Ministry, district and block levels with necessary powers to intervene wherever necessary.

*) 1 Crore = 10,000,000

This analysis was prepared by the National Campaign for Dalit Human Rights (NCDHR)