

## Union Budget 2003–04 in the context of Elementary Education

### HIGHLIGHTS

#### Union Budget 2003-04 provides:

1. Budget Estimates Rs. 4669 crore for Elementary Education, up by 9%.
2. In the Department of Elementary Education, allocations to Sarva Shiksha Abhiyan (SSA) increased to Rs. 1951 crore, up by 23%.

#### Observations on the Budget:

1. Union Budget allocations to Elementary Education continue to be much less than 50% of the estimated requirement of Rs. 14,000 crore per annum.
2. Department of Rural Development, Food & Public Distribution, and Heavy Industry have spent significantly larger amounts in both plan and non plan expenditure last year. No such increased funding was made available for education.
3. This 'statusquo' attitude on education does not give the right signals about the government's intent to achieve universalisation of elementary education.

The 93<sup>rd</sup> Amendment Bill (amended to 86<sup>th</sup>) passed in December 2002 guarantees free and compulsory Elementary Education as a fundamental right to all children in the age group of 6-14 years. The successful implementation of this Act requires adequate financial allocations to elementary education. It was therefore expected that the Union Budget 2003-04 would provide for the financial requirements of universalizing elementary education.

In 1997, when the 93<sup>rd</sup> Amendment Bill was first introduced in Parliament the financial memorandum of the Bill projected Rs. 8000 crore<sup>1</sup> as the additional annual expenditure for Elementary Education. By the time this Bill was passed as the Constitution (Eighty-Sixth) Amendment Act, 2002 this estimate increased to Rs. 9800 crore per annum<sup>2</sup>. In the meanwhile, the Tapas Majumdar Committee (1999) has estimated an additional requirement of Rs.14000 crore per annum<sup>3</sup> for a period of ten years as the requirement for achieving quality Universalisation of Elementary Education.

***In the Union Budget of 2003-04, the budget allocation for Elementary Education is Rs. 4669.***

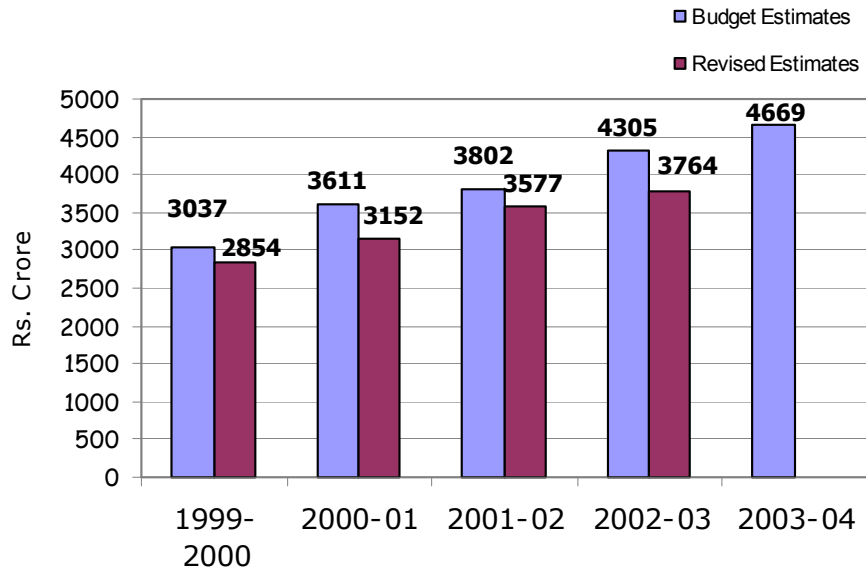
Graph 1 indicates the trends in allocation and expenditure on Elementary Education over the years. The budget allocations and expenditure is well below the requirements as stated by Government sources mentioned above.

<sup>1</sup> Financial Memorandum of the 93<sup>rd</sup> Amendment Bill, 1997, Lok Sabha, Government Of India

<sup>2</sup> Financial Memorandum of the 86<sup>th</sup> Amendment Act, 2002, Lok Sabha, Government Of India

<sup>3</sup> Tapas Majumdar Expert Committee Report, 1999, Ministry of Human Resource and Development, Government of India

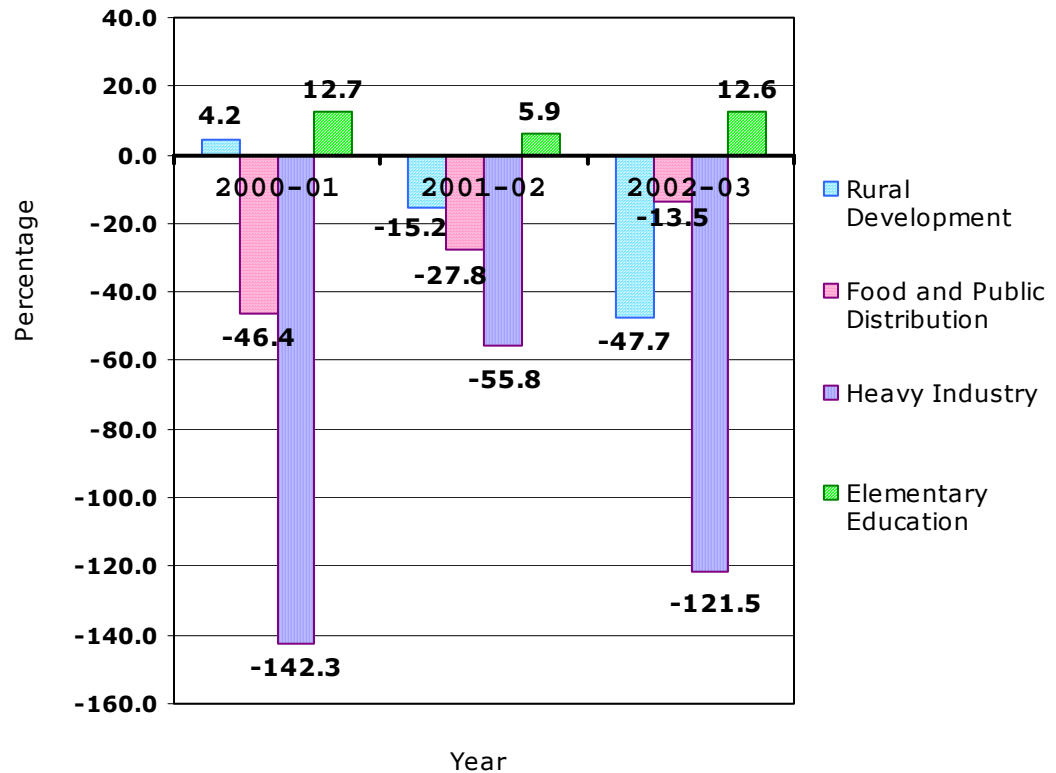
**Graph 1: Differences in Budget Estimates and Revised Estimates of Elementary Education from the year 1999-2004**



Underutilization of budget allocations may be observed across departments, for a variety of reasons including timely availability of funds. Yet it is important to note that there are departments that show reverse trends in expenditure. The revised estimates of the Departments of Rural Development, Food and Public Distribution, and Heavy Industry are seen to be significantly more than the budget estimates designated to the respective Department for that particular year.

This implies that the union budget estimates when inadequate are revised during the year to facilitate additional expenditure. Graph no. 2 indicates the extent to which such departures have taken place in the Department of Elementary Education vis-à-vis the other departments.

**Graph 2: Trends in Changes of Budget Allocations to Elementary Education vis-à-vis other Departments**



The Sarva Shiksha Abhiyan (SSA) launched in 2000 is a programme for universalisation of elementary education by the year 2010. The ambit for universalisation of elementary education claimed by the SSA is huge wherein existing schemes<sup>4</sup> of elementary education (except National Bal Bhawan and NCTE) are to converge under the Sarva Shiksha Abhiyan after the IX Plan, thereby calling for a higher allocation to the programme. Table 1 provides details of the allocations made to Sarva Shiksha Abhiyan since the time it was launched in the year 2000 and the financial resources to be provided by the states for the same.

<sup>4</sup> Programmes under Elementary Education are: Sarva Shiksha Abhiyan, Operation Blackboard, Education Guarantee Scheme and Alternative and Innovative Education (EGS&AIE), District Primary Education Programme (DPEP), Shiksha Karmi Project of Rajasthan, Mahila Samakhya Programme, National Bal Bhawan, National Programme of Nutritional Support to Primary Education (Mid -Day Meal Scheme), Janshala Programme (GOI-UN System), Kasturba Gandhi Swatantra Vidyalaya.

**Table 1: Allocations to Sarva Shiksha Abhiyan in the Department of Elementary Education from the year 1999-2004**

Year	1999-00		2000-01		2001-02		2002-03		2003-4	
	B.E <sup>5</sup>	R.E <sup>6</sup>	B.E	R.E	B.E	R.E	B.E	R.E	B.E	R.E
<b>Annual Union Budget (Rs. Crore)</b>	3037	2854	3711	3152	3802	3577	4305	3764	4669	
<b>Sarva Shiksha Abhiyan (Rs. Crore)</b>	10	2	300	100	500	500	1512	1220	1951	
<b>Share of the state under SSA (15% during the Ninth Five Year Plan, 25% during the Tenth Five Year Plan and 50% thereafter - Rs. Crore)</b>	30		15		75		305		487.8	



**86<sup>th</sup> Amendment Bill Passed on December 12, 2002**

The increase in allocation to SSA is not significant as the financial assistance for SSA from the Centre will decrease with every Five Year Plan (Table no. 3). In the wake of this, the States require to optimize all the assistance received from the Centre

To conclude, the seriousness of achieving the goal of Universalisation of Elementary Education is not reflected in the Union Budget 2003-04 on the following grounds:

1. Legislation making elementary education a fundamental right has been passed. Inadequate budgetary allocation continues to be one of the key impediments in the realization of this right. Budget estimates for

<sup>5</sup> Budget Estimates

<sup>6</sup> Revised Estimates

Elementary Education continue to be significantly less than the estimated amount of Rs. 9800-14000 crore per annum

2. Financial allocations to other departments have been drastically revised during the financial year to increase the availability of funds. However elementary education has not been considered as requiring such revisions.
3. Increased allocations to Sarva Shiksha Abhiyan for universalisation of elementary education are not sufficient as the States are getting lesser share of financial assistance from the Centre as per the Tenth Five Year Plan.

**References:**

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2. **Central Plan Outlay by Ministries/Departments** for the year 1999-2000; 2000-01; 2001-02; 2002-03: Ministry of Finance, Government of India
3. **Tapas Majumdar Expert Committee Report** (1999); Government of India
4. **Economic Survey** for the year 2001-02 and 2002-03: Ministry of Finance, Government of India
5. Govt. of India, 1968, **National Policy on Education** 1968, Ministry of Education, New Delhi
6. **Tenth Plan Outlay by Heads of Development: Centre, States and Union Territories** (2002-07) and Annual Plan 2003-03: Planning Commission, New Delhi
7. **Report of the Mid-Term Appraisal of the Ninth Five Year Plan**, Planning Commission; Department of Elementary Education and Literacy, New Delhi
8. **Expenditure Budget Vol1, 2003-04:** Statement 12:Ministry of Finance: Government of India
9. **Financial Memorandum of the 93rd Amendment Bill**, 1997, Lok Sabha, Government Of India
10. **Financial Memorandum of the 86<sup>th</sup> Amendment Act**, 2002, Lok Sabha, Government Of India