ADEQUATE AND APPROPRIATE RESOURCES FOR CHILDREN DURING COVID-19

By:

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“Childhoods stand threatened by the unprecedented social and economic disruption. Among those severely impacted are children of migrant workers, children of daily wage earners, child labourers, children in street situations, child care institutions (CCIs), or conflict zones, children in need of care and protection, children in conflict with the law, pregnant girls, children with disabilities, transgender children, children living with HIV/AIDS, children living in poverty, children in abusive, violent or exploitative situations, children of sex workers and prisoners, refugee children, foreign children residing in CCIs, children affected or likely to be affected by other natural disasters, such as Amphan, floods in Assam, etc. The lockdown period will also forever be marked by the millions of people who in a bid to survive, undertook mass distress migration back to their native villages.”

The COVID crisis demands much higher investment for children if we are to stem the intergenerational impact that this country will witness.

- RIGHTS OF CHILDREN IN TIMES OF COVID-19: A POLICY BRIEF

Issues regarding adequate and appropriate allocation of public resources for children have been recognised and highlighted over the years. However, in the wake of COVID-19 and the changing needs that follow, this issue has become starker than ever before. It calls for protecting the allocations for children made in the Union and State Budgets for the current fiscal, which are already far below the child-focused investment levels required in the country, and strengthening budgetary support for a number of critical areas that will impact the rights and wellbeing of children. For instance, the mass and unprecedented reverse migrations witnessed into the rural areas imply an urgent need to augment resources to cater to the additional numbers of children and adolescents who are part of this phenomenon. It also calls for a re-visiting of public funding architecture and processes. The Centre for Budget and Governance Accountability (CBGA) has undertaken an analysis of the requirements in the current situation. This note draws upon it. The note also draws upon an article by Avani Kapur, Accountability Initiative.

HAQ: Centre for Child Rights’ analysis over the years has shown that the share of budget for children has been showing a steady decline. The share for health and protection have remained a cause of particular concern (Table 1).

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1 This note is prepared by Enakshi Ganguly. She thanks Subrat Das of CBGA for his detailed inputs
Centre for Budget and Governance Accountability (CBGA) points out that given the severity of the ongoing crisis and its multi-dimensional nature, the main objective of all tiers of government should be to protect the underprivileged sections of the population from the serious challenges on health, livelihood and food security fronts.

Given the current crisis that children face the following need urgent attention:

1. **Ensuring public resource adequacy**: Studies have shown significant gaps between requirements and actual expenditures even under normal times. Unusual circumstances resulting from COVID-19 have created new demands and these need to be addressed through adequate and appropriate resource allocations. For example, there is need for training and protocols of safety, hygiene and health, and infrastructural requirements of adding technology as a part of everyday functioning. All of these need to be resourced.

2. **Maximising and merging the available resources**: The basic entitlements for children have so far been delivered through a number centrally sponsored schemes (CSS) such as the Integrated Child Development Services (ICDS), National Health Mission (NHM), Integrated Child Protection Scheme (ICPS), Sarva Shiksha Abhiyan (SSA), Janani Suraksha Yojana (JSY) etc. as well as a host of state-specific schemes. The result is a fragmented system that fails to account for the linkages between nutrition and gender, water and sanitation, child protection, education etc. And this situation is exacerbated by the peculiarities of CSS as instruments of social policy financing; its centralised nature with fixed norms and unit costs usually set at the national level which does not allow for flexibility at the state and local levels, with cost sharing norms between centre and state.⁴

3. **Enabling State Governments to step up their public spending adequately**: With migrants returning to their native states, livelihood generation, poverty alleviation, public health facilities and social security for vulnerable groups need to be kept at the prime focus. States have a greater responsibility in ensuring the access, affordability and availability of such services. Since it is the State Governments that are at the forefront of dealing with the crisis, it is crucial that the Union Government shares a much bigger quantum of resources with the States compared to what it did before the crisis. Therefore, the extent of vertical distribution of tax proceeds needs to be revised upwards (as has been demanded by several States), and State Governments should be given a lot more flexibility in the financial norms and guidelines in the Centrally Sponsored Schemes so as to be able to address the challenges emerging as a result of COVID-19.

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⁴ Ibid.

### Table 1. Sectoral Share within Budget for Children in the Union Budget (in percent)

<table>
<thead>
<tr>
<th>Year</th>
<th>Health BE</th>
<th>Development BE</th>
<th>Education BE</th>
<th>Protection BE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-2013</td>
<td>3.77</td>
<td>23.16</td>
<td>72.22</td>
<td>0.85</td>
</tr>
<tr>
<td>2013-2014</td>
<td>3.42</td>
<td>23.79</td>
<td>72.06</td>
<td>0.72</td>
</tr>
<tr>
<td>2014-2015</td>
<td>3.59</td>
<td>23.36</td>
<td>72.21</td>
<td>0.78</td>
</tr>
<tr>
<td>2015-2016</td>
<td>3.93</td>
<td>15.74</td>
<td>78.95</td>
<td>1.38</td>
</tr>
<tr>
<td>2016-2017</td>
<td>3.59</td>
<td>23.17</td>
<td>72.20</td>
<td>1.04</td>
</tr>
<tr>
<td>2017-2018</td>
<td>3.76</td>
<td>24.21</td>
<td>70.54</td>
<td>1.49</td>
</tr>
<tr>
<td>2018-2019</td>
<td>3.90</td>
<td>25.25</td>
<td>69.37</td>
<td>1.48</td>
</tr>
<tr>
<td>2019-2020</td>
<td>3.51</td>
<td>25.90</td>
<td>66.72</td>
<td>2.11</td>
</tr>
<tr>
<td>2020-2021</td>
<td>3.36</td>
<td>25.49</td>
<td>69.17</td>
<td>1.98</td>
</tr>
</tbody>
</table>

Source: HAQ: Centre for Child Rights
4. **Higher and directed investment in WASH:** The only way to protect children from infection is to protect families and communities through hygiene, sanitisation, hand wash and protective gear. Therefore, the WASH sector needs higher public investment. The government must also improve fund utilisation under Swachh Bharat Mission – Urban (SBM-U), invest in frontline WASH staff and capacity building of local government functionaries, Gram Panchayats. Investing much higher magnitudes of resources for provisioning of safe drinking water, sanitation and handwashing facilities in schools across the country is also imperative in the current situation.

5. **Need to augment Family Incomes to address well-being of children:** Children will be affected if parents are unable to earn. In response to the pandemic-induced crisis, the government has increased the Union Budget allocation for MGNREGS for 2020-21 by Rs. 40,000 crore. However, as demand for MGNREGS work has increased significantly in some States, more funds need to be allocated for this crucial scheme. Further, as mentioned above, MGNREGS should be extended to urban areas as unemployment level in urban areas is reportedly higher than that in the rural areas. Increased demand for work under this programme should be met immediately by identifying new work-sites.

6. **Resourcing health systems, both preventive and curative:** There is a need to put resources into strengthening of health systems to handle co-morbidities and reduce the general disease burden. Allocations must be made towards filling up persisting staff vacancies at sub-centres, Community Health Centres (CHCs), Primary Health Centres (PHCs) and district hospitals, as well as shore up basic infrastructure at these facilities. Investments in health information systems and health supply chains must also be prioritised.

7. **Resourcing education and child protection:** In light of the highly weakened child protection scenario, investing in both prevention, as well as ensuring access to justice, restoration and rehabilitation is critical. The share of child protection in the Union Budget 2020-21 stands at 0.06 per cent, which is a reduced share compared to 0.07 per cent in 2019-20. Despite India’s commitment to SDG 16.2, allocation for the umbrella Integrated Child Protection Scheme (ICPS) remains unchanged at Rs. 1500 Crore. In the wake of COVID-19, the added requirements of hygiene and health, infrastructural requirements of adding technology as a part of everyday functioning among many other new requirements need additional resources. Child protection must be given the priority it deserves.

Child protection and education is intrinsically linked. It is through ensuring that children are in school and are safe, can child labour, child trafficking, child marriage can be prevented. Apart from ensuring mid-day meals are regular and continues, schools will have to be kitted out for children to be in school physically. This will need additional resources. Of course the construction work can be tied up with MGNREGS.

8. **Strengthening public finance management system:** A just-in-time expenditure information network (EIN) that brings all expenditure units under one system needs to be built to streamline inefficiencies in the approval and fund flow processes. The beginnings have already been made with the public finance management system or the integrated financial management system.

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which coupled with other innovations such as e-budgeting or automatic approvals and e-governance, could lead to greater predictability in fund flows.\(^6\)

All financing for children must thus be undertaken using the principles of equity, ideally converging at the household level and prioritizing the ‘leave no one behind’ dictum. This would entail ensuring that we budget at scale and simultaneously make systematic efforts to ensure that the poorest and most vulnerable (who would also be most affected by this pandemic) are reached.

There remain certain issues such as procedures for funds disbursal and flow that remain an ongoing challenge. The conditional financing structure that exists, results in administrative and fiscal inefficiencies, impacting the last mile delivery to households.\(^7\) The Covid-19 crisis makes even more critical a decentralized and dynamic nutrition financing structure that can respond promptly to different geographies and demographics. From a fiscal perspective, this will require a redesign of financing related to children as a whole, and their cross cutting needs in times such as this. Whether this is the right time for this is of course a question. While it is recognised as a gap, the fear is that any drastic change in public financing procedures for social sector schemes will immediately create a lot of uncertainty and unpredictability at the district and sub-district levels. That in turn will stall some of the schemes for months at least.

The policymakers at the centre or national level have highlighted the need for fundamental restructuring of fiscal governance processes at the State and district levels. However, the situation on the ground reveals the deficiency of resources over the last few decades as a much bigger underlying cause for the poor impact of government interventions and services. So while these are factors that hinder the maximum and best utilisation of resources for children, this is a time for protecting and enhancing the resource pool for children, and we need to flag that very prominently.


\(^7\)Ibid.