

# BUDGET

## 2018-19

"The Union budget is visionless, directionless with very meagre allocation to key sectors like agriculture, health and housing.

The Budget has nothing specific for Karnataka and has disappointed the people of the state. At least they could have waived crop loans availed from nationalised banks. Acche din kabhi nahi aayega!"



**Siddaramaiah**  
Chief Minister

50,000 cr	School education
35,010 cr	Higher education
10,500 cr	Midday meal
3,000 cr	National Nutrition Mission

### Health & Family Welfare

**Rs. 52,800 cr**

### Social Justice

**Rs. 7,750 cr**

"I am delighted to see the share of the Budget dedicated to increasing healthcare, with the introduction of the National Health Protection Scheme – which will be the world's largest public health insurance initiative – and the allocation of Rs 1,200 crore to the Ayushman Bharat programme."



**Natarajan Chandrasekaran**,  
Tata Sons, Chairman

### PF fantastic move

- Women have to pay less for PF for first three years
- For these years, women's contribution to Employees Provident Fund to be brought down from 12% to 8%
- This will allow women to get more take-home salary
- The govt has also promised to contribute 12% of the salary of all new employees to the PF

# Rs 1 lakh-crore boost for education

Big efforts to revitalise infrastructure for schools

Prakash Kumar

**NEW DELHI: A total of Rs 1 lakh crore will be invested in the next four years for research and the creation of related infrastructure "in premier educational institutions".**

Two new "full-fledged" Schools of Planning and Architecture (SPAs) will also be established, besides setting up 18 new SPAs in the IITs and the NITs as "autonomous schools".

The Prime Minister's Research Fellows (PMRF) Scheme will be launched for meritorious engineering graduates this year to enable them to do PhD in the IITs and the IISc.

"Under this scheme, we would identify the 1,000 best BTech stu-

## The big spend

### EDUCATION

- Rs 85,010 crore for the next fiscal
- Rs 35,010 crore for higher education and Rs 50,000 crore for school education
- Education to be treated holistically from pre-nursery to Class 12
- Integrated BEd programme for teachers will be initiated
- Right to Education Act amended to enable to train more than 13 lakh untrained teachers
- To increase digital intensity to move from blackboard to digital board
- Skills of teachers to be upgraded through the digital portal "DIKSHA"
- Revitalising Infrastructure and Systems in Education (RISE) by 2022
- By 2022, every block with more than 50% ST population will have



Ekalavya Model Residential Schools at par with Navodaya Vidyalayas

- It will have special facilities for preserving local art and culture
- Plans to set up a specialised Rail-

ways University at Vadodara

- Two new schools of planning and architecture (SPAs) to be set up; 18 more such in IITs and NIITs

dents each year from premier institutions and provide them facilities to do PhDs in IITs and IISc, with a handsome fellowship," Finance Minister Arun Jaitley said while presenting the Union Budget in the Lok Sabha on Thursday.

The government will also establish the Ekalavya Model Residential School on par with the central government-run Navodaya Vidyalayas to provide "the best quality education" to tribal children "in their own environment" by 2022.

The schools will be established in "every block with more than 50% ST (Scheduled Tribe) population and at least 20,000 tribal persons", Jaitley said.

These schools will be equipped with special facilities for preserv-

ing local art and culture, besides providing training in sports and skill development.

Announcing the roll out of the PMRF Scheme for engineering graduates, the finance minister said, "It is expected that these bright young fellows would voluntarily commit a few hours every week for teaching in higher educational institutions".

The proposed investment of Rs 1 lakh crore for research and related infrastructure under a new scheme titled "Revitalising Infrastructure and Systems in Education (RISE) by 2022".

Jaitley expressed concern over the lack of quality of school education in the country and proposed to increase "the digital intensity" in education by replacing black boards in country's schools with "digital boards".

He, however, neither proposed any budgetary provisions for this at this point in time nor gave any timeline for the implementation of the proposed initiative.

"Technology will be the biggest driver in improving the quality of education. We propose to increase the digital intensity in education and move gradually from 'black

board' to 'digital board'," he said.

Technology will also be used to upgrade the skills of school teachers through the recently launched digital portal 'DIKSHA', he said.

The minister told the Lok Sabha that the government will initiate an integrated BEd programme for teachers, a proposal pending since 2015.

The overall increase in the budgetary allocations on education for the fiscal 2018-19, however, remained marginal.

While the school education department of the HRD ministry saw just 7.86% increase in its budgetary allocations for 2018-19 over those of last fiscal, the higher education department of the ministry witnessed just 5.04% increase in its budget for this fiscal compared to the last.

A total of 50,000 crore was allocated to the school education and adult literacy department for this fiscal. The department had got a total budgetary allocations of Rs 46356.25 crore in 2017-18.

The higher education department's budgetary allocations for this fiscal came at Rs 35010.29 crore. A total of Rs 33329.70 crore had been allocated to this department in 2017-18.

## Govt's fixed-term employment for all sectors irks unions

**NEW DELHI:** The government on Thursday announced extending fixed-term contract jobs to all sectors in the Union Budget only to attract strong criticism from the Sangh-affiliated Bharatiya Mazdoor Sangh, which said permanent jobs are going to extinct soon.

The BMS has announced a nationwide protest on Friday against the "total neglect" of labourers as "none of our demands were met" by Finance Minister Arun Jaitley.

Emphasising that creating job opportunities and facilitating generation of employment has been at the core of policy-making, Jaitley said, "the facility of fixed-term employment will be extended to all sectors."

So far, fixed-term employment was allowed in apparel and footwear sectors and the Ministry of Labour had on January 8 issued a draft regulation seeking an opinion from stakeholders on the issue.

The government feels that this would help in employment generation and ease of doing business as it would enable companies to hire workers for short-term assignments and terminate their services when projects are completed.

In other news on the labour front, Jaitley said the government will contribute 12% of the wages of the new employees in the EPF for all the sectors for next three years.

Jaitley said they also want to bring more women into formal sector and enable them to have higher take-home wages. For this, the government will amend Employees Provident Fund and Miscellane-

### EMPLOYMENT

- 12% of the wages of the new employees in the EPF for all the sectors for next three years to be funded by govt
- Employees PF Act to be amended to reduce contribution of women to 8% from 12% with no change in employer's contribution
- Loans to women self-help groups will increase to Rs 75,000 crore by March 2019
- Pradhan Mantri Kaushal Kendra Programme
- 306 centres to be established for imparting skill training

ous Provisions Act, 1952 to reduce women employees' contribution to 8% for first three years of their employment against existing rate of 12% or 10% with no change in employers' contribution.

However, the BMS found these proposals anti-labourer, its national president Saji Naryanan told *DH*, "We have objections to this kind of new contract system. Slowly, this will lead to the disappearance of permanent jobs. There is no protection for labourers in this. The government has announced it without consultation with stakeholders. A consultation process is already on and the government should have waited for it to conclude."

He also found fault with the proposal on 8% contribution by women employees in the first three years, saying it would adversely affect their savings. The government should have ideally subsidised that.

**DH News Service**

## World's largest govt-funded healthcare scheme unwrapped

Kalyan Ray

**NEW DELHI, DHNS:** Finance Minister Arun Jaitley announced a massive health insurance scheme that seeks to cover 10 crore families from the poor and vulnerable sections of the society.

The scheme will also provide a family health insurance cover of Rs 5 lakh per year for diseases that require stay in hospital.

However, a similar scheme, announced in the Budget two years ago, is yet to be implemented.

Jaitley also announced a Rs 1,200-crore package to convert 1.5 lakh primary health care centres and sub-centres into 'Health and Wellness' centres.

The two schemes, he said, would generate "lakhs of jobs", particularly for women.

Jaitley said the flagship health protection scheme will cover more than 10 crore families, which means 50 crore beneficiaries.

"This will be the world's largest government-funded healthcare programme. Adequate funds will be provided for its smooth implementation," he said.

The minister didn't mention any specific allocation, but the outlay for Rashtriya Swasthya Bima Yojana (RSBY) was upped to Rs 2,000 crore from last year's revised estimate of Rs 470 crore.

In the last fiscal, RSBY's bud-

getary allocation was Rs 1,000 crore, but the initial outlay was cut drastically in later months.

The announcement of the mega scheme comes in the backdrop of an unfulfilled promise of hiking the RSBY limit up to Rs 1 lakh (from Rs 30,000) for a family.

It was announced by Jaitley in his 2016-17 budget speech, but the scheme is still stuck within the government.

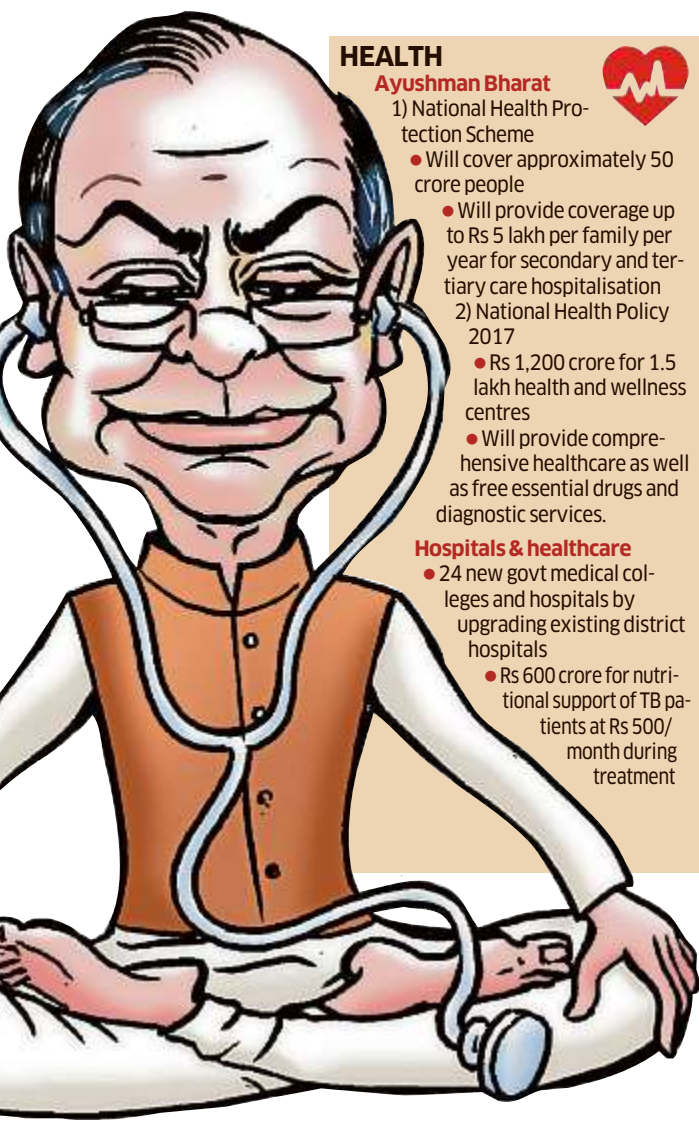
Jaitley invited contribution from the corporate sector — through the corporate social responsibility route — and private philanthropic outfits to adopt the 'Health and Wellness' centres.

These centres will provide free essential drugs and diagnostic services and care for non-communicable diseases like diabetes and heart complications, as well as mother-and-child services.

Rs 600 crore has been earmarked to provide a monthly stipend of Rs 500 to every tuberculosis patient for their nutritional support.

A meagre overall increase in the health budget, however, upset public health workers.

"A mere 11.5% increase in the



### HEALTH

**Ayushman Bharat**

1) National Health Protection Scheme

- Will cover approximately 50 crore people
- Will provide coverage up to Rs 5 lakh per family per year for secondary and tertiary care hospitalisation

2) National Health Policy 2017

- Rs 1,200 crore for 1.5 lakh health and wellness centres
- Will provide comprehensive healthcare as well as free essential drugs and diagnostic services.

**Hospitals & healthcare**

- 24 new govt medical colleges and hospitals by upgrading existing district hospitals
- Rs 600 crore for nutritional support of TB patients at Rs 500/month during treatment

budgetary allocations for health from last year's Rs 47,353 crore to Rs 52,800 crores now is disappointing and discouraging," said Poonam Mutreja, executive director, Population Foundation of India.

"There is promise for a comprehensive health care. However,

implementation challenges lie in expanding the size and skill of the workforce needed for primary health care and in creating the states' capacity to efficiently manage strategic purchasing of secondary and tertiary care," said K Srinath Reddy, president of Public Health Foundation of India.

## Govt allots Rs 15 cr for phone tracking system

**NEW DELHI, DHNS:** In a bid to eliminate counterfeit mobile handsets and discourage theft, the Centre on Thursday allocated Rs 15 crore to set up Central Equipment's Identity Register (CEIR).

The CEIR will be set up under Department of Telecom (DoT) and it will connect to the IMEI database of all mobile operators. The BSNL has been entrusted with the task of setting up CEIR at its Pune centre.

The register will also help operators in identifying handsets with the fake 15 digit IMEI numbers as it will have details of handset model to whom the IMEI has been originally allocated. Whenever the CEIR found a phone working on fake IMEI, immediately it will be intimidated by telecom service providers to deactivate the SIM card, said the official.

Each mobile network has an equipment identity register, classifying permitted IMEIs under whitelist and stolen or lost phones will be on the blacklist.

As CEIR works as a central sys-

tem, all network operators have to share blacklisted mobiles so that devices placed under the said category in one network will not work on the other, even if the SIM card in the device is changed or IMEI number changed, said the official.

The IMEI number — a unique 15-digit serial number of mobile devices — is allocated by global industry body GSMA and bodies authorised by it. When a mobile phone is lost, the victim is required to mention the IMEI number of the handset for tracking.

When a mobile phone is lost, the victim is required to mention the IMEI number of the handset for tracking with law and enforcement agency and same will be intimidated to the CEIR. The CEIR will be regularly updated with the IMEI of lost, stolen or counterfeit handsets.

The DoT has barred telecom operators from providing service to any mobile phone with the fake IMEI number but the operators face problem in identifying handsets with duplicate IMEI number.

### HOUSING

- Prime Minister Awas Scheme Rural: 1 crore houses will be constructed in rural areas
- 37 lakh house to be built in urban areas
- Affordable Housing Fund (AHF) under National Housing Bank to boost demand and supply of low-cost homes



**SANITATION**

- GOBAR-DHAN to be set up for solid waste management
- 2 crore toilets to be constructed under Swachh Bharat Mission

### WELFARE

- 8 cr poor women to get free LPG connections under Ujjwala Scheme
- Rs 5,750 crore for National Rural Livelihood Mission
- Rs 9,975 crore allocation on National Social Assistance Programme this year has been kept at
- Rs 3,000 crore for National Nutrition Mission

## Where has the social sector money gone?

Avni Kapur

**T**his year's budget was to focus on "strengthening agriculture and rural economy, provision of good healthcare to economically less privileged, taking care of senior citizens, infrastructure creation and improving the quality of education in the country. However, a deep-dive into a few key schemes throws up more questions than it answers.

Let me explain.

The revival of rural economy through infrastructure creation was the government's strategy till date. However, despite the 2019 deadline for completing targets for flagship programmes in the rural housing (PMAY) and sanitation (Swachh Bharat Mission) fast approaching, allocations remained unchanged. In fact, they fell by 9% for the PMAY and Swachh Bharat Gramin.

The other big scheme for rural development like MGNREGS surprisingly saw no mention in the budget speech, given last year's announcement of the highest ever

allocation at Rs 48,000 crore. This year's allocation is in fact, 15% higher — at Rs 55,000 crore.

But a closer look at 2017-18 revised estimates shows that Rs 55,000 crore was, already allocated and spent last year.

Delayed wage payments and pending liabilities of Rs 1,113 crore suggest that even Rs 55,000 crore may still not be enough to cover liabilities.

A stand on the MGNREGS is imperative.

### Lack of focus

Like last year, this year's speech emphasised quality education. The Sarva Shiksha Abhiyan (SSA) and Rashtriya Madhyamik Shiksha Abhiyan (RMSA) allocations too increased by 11% and 8%, respectively.

However, the focus seemed to be on digital technology and creation of Ekalavya Model Residential Schools in every block with more than 50% ST population and at least 20,000 tribal persons. Let's be realistic.

With electricity and computers



**EXPERT SPEAK**

costs will be financed.

The neglect of maternal and child health is also visible in the 2% decrease in allocations for the NHM and within that, a 30% decrease in Reproductive and Child Health.

### Insurance programme

Instead, this year the focus on health seems to be limited to insurance. Allocations for the National Health Protection Scheme (earlier RSBY) doubled from last year's budget estimate.

However, according to the latest government data, the RSBY was only able to enrol 3.6 crore families out of 5.9 crore BPL families. In fact, while Rs 1,000 crore was allocated last year, revised estimates stood at only Rs 471 crore.

Budget speeches are all about messaging. With just over a year left for the General Elections, hopes were high that the strategy for the social sector will become clear. Unfortunately, the messaging is hard to distill from the numbers.

(The author is Director, Accountability Initiative at Centre for Policy Research, New Delhi)

### Jaitley bytes

Imported phones, TV to cost more

» The Union Budget for 2018-19 Thursday hiked import duty on a host of items including mobile phones, automobile parts, televisions sets, watches and diamonds and precious metals making them costlier than before.

Similarly, the Budget also reduced customs duty on some items including raw cashew nuts and solar tempered glass, making them cheaper than before. In doing so, it tried to retain consumers' interests in watching the otherwise mundane Budget proposals.

Rs 150 cr for Babu's birth anniversary

» The government has earmarked a total of Rs 150 crore for organising various events in commemoration of the 150th birth anniversary of Mahatma Gandhi from October 2, 2019, to October 2, 2020.

Finance Minister Arun Jaitley announced the earmarking of funds for year-long commemoration of the birth anniversary of the father of the nation.

A 116-member national committee, chaired by Prime Minister Narendra Modi, has been constituted to formulate the commemoration programmes.

The committee includes chief ministers of all the states, representatives "from across the political spectrum", Gandhians, thinkers and eminent persons from all walks of life, Jaitley said.

Prez, VP, Guvs to get pay hike

» The Finance minister has proposed to increase the salaries of the President and Vice President to Rs 5 lakh and Rs 4 lakh per month, respectively, reports DHNS.

Governors are set to draw a salary of Rs 3.5 lakh per month. The scale of increase in the salary of the President is a whopping 200% as he currently gets only Rs 1.5 lakh. While the vice president draws Rs 1.25 lakh, a governor gets Rs 1.10 lakh.

Jaitley also proposed a change in the salary revision procedure for MPs. Under a new law to be enacted, the salaries of the MPs will be automatically revised every five years, which will be indexed to inflation so that it is not seen as though they set their own salaries.

Centre for research on robotics

» The Centre on Thursday said allocation for Digital India programme has been doubled to Rs 3,073 crore in 2018-19 to conduct research and skilling in robotics and artificial intelligence.

"To invest in research, training and skilling in robotics, artificial intelligence, digital manufacturing, big data analysis, quantum communication and internet of things, Department of Science & Technology will launch a Mission on Cyber-Physical Systems to support the establishment of centres of excellence," Jaitley said.