



Right to Food Campaign

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Press Note

Union Budget 2023-24: Betraying the people of India

The Right to Food Campaign organised a press conference at the Press Club of India, New Delhi on 6th February 2023 where inadequacy of the Union Budget 2023-24 towards crucial social security schemes, the status of compliance with the directions of the Supreme Court in the migrant workers' case regarding enhancing food security measures and other issues regarding gaps in MGNREGA and social security policies. The press conference was addressed by Annie Raja, Anjali Bhardwaj, Aysha, Dipa Sinha and Nikhil Dey.

On the Union Budget 2023-24

The Union Budget 2023-24 has continued to reduce government spending on the social sector to a huge extent. The negative impact of the economic crisis that began even before the pandemic has fallen disproportionately on those at the bottom of the pyramid. In this context, spending on social protection schemes such as the PDS, anganwadis, pensions and MGNREGA is especially important. But the Government of India has blatantly ignored the hardworking people of this country by showing no sense of accountability in this year's Union Budget with a massive reduction in the allocation for major social security schemes.

The requirement was to continue the additional foodgrains under PMGKAY and expand the PDS to include non-ration card holders and also distribute pulses and oils. **However, this budget has reduced the food subsidy allocation by over ₹89,000 crores.** The ₹1.97 lakh crore that has been allocated is barely enough to meet the requirements of the regular entitlements under the National Food Security Act.

Dipa Sinha said that the Central Government's decision will result in reducing the ration entitlement of 81 crore people by 50%. Ration cardholders have been getting 10 kgs cereals per person per month since April 2020 (5 kg under NFSA at a subsidized price and 5 kg free under PMGKAY) but with the discontinuation of **from January 1, 2023, the ration entitlement of people is halved- and they are now entitled to only 5 kgs ration per person per month (normal NFSA entitlement) instead of the current 10 kgs ration per person (NFSA+PMGKAY).** The new PMGKAY is just the NFSA quantity of benefits but for free, instead of Rs. 3 per kg for rice and Rs. 2 per kg for wheat, resulting in a saving of only Rs. 10-15 per month per person while on the other losing out on 5kgs of cereals, worth over Rs. 100.

Anjali Bhardwaj said that while on the one hand entitlements for those with rations have been halved, on the other hand there is no provision for food security for those without ration cards in the budget. She explained that the coverage under the National Food Security Act (NFSA) in terms of the number of the people entitled to have ration cards was determined on the basis of the 2011 census and was to be increased after the next census of 2021. However,

the government has failed to undertake the census on the pretext of COVID though all other activities are fully underway. The Supreme Court in its judgment in the Suo Motu migrant workers case in June 2021 directed the government to re-determine coverage under NFSA as the population has increased since 2011. Upon failure of the government to comply, the case was again reopened and in July 2022, the SC directed that if the census is not underway, the government should use the official population projections and increase coverage as more than 10 crore people are being left out only due to the 2011 census being used. However, the government has failed till date to increase coverage. When the case was last heard on 31-1-2023, it was pointed out that the government has not made any framework for increasing coverage. The SC directed that the government must verify how many of the 28.55 crore people registered on the e-shram portal have ration cards. The court said that mere registration is not enough and that the purpose of registration was to ensure that people get benefit of welfare schemes and programs.

Annie Raja said that women and children have among the poorest outcomes for health and nutrition which impacts their growth, education and economic productivity. She said the government was very good at coming up with names and acronyms for new schemes but was giving very little in real terms. She highlighted that under Ujjwala the government had given gas cylinders but soon after that started increasing the price of gas at runaway rates making refilling of the cylinders outside the reach of most households. She said the budget does not reflect the reality of the challenges being faced by the women of the country. She said the total budget of Women and Child Development Ministry is pegged at less than 0.1% of the GDP though this is the key ministry for children's nutrition and health.

Women and children of the country have once again been ignored even when they have been most affected by the pandemic and the continued economic severity. The central government's budgets for Mid-day meals and Integrated Child Development Services (ICDS) schemes have been steadily declining, in real terms. Along with this, social security pensions, Samarthya (including maternity entitlement schemes), LPG subsidies and various schemes related to agriculture see reductions in real terms. For the old age pension scheme, the share of the central government has been stagnant at Rs. 200 per month since 2006 and for the widow and disability pension scheme, the share of the central government is Rs. 300 per month. With the decline in the pension budget, there is hardly any scope for a change in this.

Aysha highlighted that all reports and studies point to unprecedented crisis among people on account of the slowdown in economic activity due to COVID and high inflation. Even government reports show the high level of anaemia and malnutrition among women which also has an adverse impact on children.

Nikhil Dey said that the allocation for NREGA announced in the budget for FY 2023-24 is an assault on the peoples' right to work as mandated under the National Rural Employment Guarantee Act. He said Rs. 1.24 lakh crore was required just to give assured 40 days of work to all those active job cardholders this year. As of today, there are pending liabilities of almost Rs. 17,000 crore and the current budget fails to make allocations to address this or current inflation. The amount given in the budget means in real terms only about 20 days of guarantee for those who go for work as of today. NREGA is a demand-driven law, therefore the demand for work must be satisfied. The unprecedented budget cut will lead to (a) massive delays in wage payments, (b) suppression of work demand, and (c) lack of quality assets getting created. Instead of adequately funding the programme, the Union government has repeatedly resorted to needless technical tinkering. The National Mobile Monitoring System (NMMS) application

for capturing workers' attendance, mandated in the current financial year, is one such anti-worker intervention.

Amid the wide objections and continued media reports on the poor budgetary allocations for MGNREGA, the Government of India has issued a press release with some clarifications regarding this being a demand based scheme and therefore something for which the budget can be revised later. However, such assurances ring hollow. The government has failed to make full additional allocations even though RE. For instance in the last year, additional demand of Rs. 25,000 crore was made in November while the government has only now made provision for Rs. 16,000 crore through RE and the state of West Bengal which accounts for 10% of the workers and budget of nrega has not got any funds for over a year.

The union budget 2023 is completely unresponsive to the needs of the majority of the people who are still struggling to earn a decent livelihood and is biased towards reviving the economy for the big corporates. The Right to Food campaign, along with other civil society organisations, will continue to struggle for the right to food for all while demanding accountability from the central and state governments.