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Social sector gets added thrust

OUR BUREAU



For a bright future: The education sector has been given a lion share with allocation to it raised by 24 per cent over last year to Rs 52,057 crore. — Photo: K Murali Kumar

New Delhi, Feb. 28: To give the Budget 2011-2012 an *aam aadmi* thrust and strengthen its inclusive development agenda, the Finance Minister, Mr Pranab Mukherjee, has announced a hike in allocation across all key social sectors. There has also been tweaking on the policy front to take a larger BPL population into the fold.

Education, health, food security, rural connectivity, rural banking, drinking water, affordable housing and child development have been chosen for the Government's added focus. With MNERGA being indexed to inflation, rural workers are seeing an increase in their wages, while the Government's multi-media campaign, *Swabhimaan* — launched to motivate people to open bank accounts — could help them focus on savings and investments.

Education

The education sector has been given a lion share with allocation to it raised by 24 per cent over last year to Rs 52,057 crore, of which Rs 21,000 crore to go towards the Sarva Shiksha Abhiyan, a 40 per cent increase over last year. **To enhance skill development, an added Rs 500 crore has been provided to the National Skill Development Council (NSDC). “More funds would allow the NSDC, which has already approved 26 ventures that have the combined target of skilling over 40 million youth in different vocations over a 10-year period, to contribute at least 30 per cent to the Prime Minister's target of skilling 500 million youth by 2022,”** said Mr Dilip Chenoy, Chief Executive Officer and Managing Director, NSDC.

Social programmes

On the health front, the Finance Minister announced a 20 per cent hike to Rs 26,760 crore. Besides, he pointed out that the Rashtriya Swasthya Beema Yojana is being extended to cover unorganised sector workers in hazardous mining and associated industries such as lead pencil, bromide, mica and asbestos. Regarding the Government's flagship programme Bharat Nirman – which includes a slew of social sector schemes including some in irrigation, drinking water and rural telephony — the Budget has proposed an increased allocation of Rs 10,000 crore to take it to Rs 58,000 crore.

Rural resources

Sops for farmers include a 3 per cent interest subsidy this year. Credit flow to farmers has also been increased from Rs 3.75 lakh crore to Rs 4.75 lakh crore.

For the co-contributory pension scheme Swavalamban announced in the last Budget, Mr Mukherjee has relaxed the exit norms whereby a subscriber under Swavalamban will be allowed exit at the age of 50 years instead of 60 years, or a minimum tenure of 20 years, whichever is later.

The salary of anganwadi workers has also been enhanced from Rs 1,500 a month to Rs 3,000 a month and for anganwadi helpers from Rs 750 a month to Rs 1,500 a month effective from April 1, 2011. Around 22 lakh anganwadi workers and helpers, who are the backbone of the childcare services, will benefit from the increase.

For all this, the Finance Minister proposes that the funds come from the disinvestment kitty. In the Budget, he outlined that the Government will continue to raise funds through divestment of equity stake in public sector entities and the proceeds would be utilised for capital expenditure of social sector schemes for creating new assets.