

Fight Inequality Alliance India

**Pre-budget Survey 2022** 

#### Fight Inequality Alliance Pre-budget survey 2022

### Acknowledgements

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#### **About Fight Inequality Alliance India**

The Fight Inequality Alliance (FIA) India is a group of leading international and national non-profit organizations, human rights campaigners, women's rights groups, environmental groups, trade unions, social movements and other civil society organizations that have come together to fight the growing crisis of inequality. The membership of FIA India consists of five state networks (Samata Network, Uttar Pradesh, FIA Odisha, FIA Chhattisgarh, Bihar and Jharkhand) and multiple national networks including the Alliance for Right to Early Childhood Development, National Campaign on Dalit Human Rights, National Centre for Promotion of Employment for Disabled People, National Coalition for Education, National Youth Equity Forum, Oxfam India, Right to Education Forum and Wada Na Todo Abhiyan amongst others. The network has been raising its voice against rising wealth, social and gender inequality through various campaigns and advocacy. This is the second annual Pre-Budget Survey of the Fight Inequality Alliance.

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### Introduction

2021 was a difficult year for India's people and its economy. The economic and social disruptions caused by COVID 19 have been unprecedented. CMIE estimates that over 10 million jobs vanished in the second wave and 97% households saw their incomes drop.<sup>1</sup>

The impact, while devastating overall, has been grossly unequal. While the wealth of Indian billionaires has more than doubled during the Covid-19 pandemic while 46 million people are estimated to have fallen into extreme poverty in 2020. <sup>2</sup> Increasing inequality and the unequal impact on the haves and the havenots have prompted many to refer to the health crisis as the "pandemic of inequality" The impact was particularly harsh for the most marginalized- migrants, unorganized workers, women, persons with disability, Dalits, Adivasis, and minorities, and others.

This year's budget needs to provide a holistic response to twin crises of the unequal economic system and the pandemic by integrating health, economic, social and environmental dimensions.<sup>4</sup> While the government has taken some steps to mitigate the negative impact of the pandemic, a lot remains to be done to ensure that India creates as a more equitable, just society.

In this context, the Fight Inequality Alliance India undertook a survey to understand people's aspirations from the upcoming budget. The survey covered 3,231 people from 24 states, spreading across gender, class, geographical boundaries and social categories. A similar survey was carried out last year, findings from which were further used to influence the policy makers.

### **Findings**

#### Where should the government allocate additional funds in the upcoming budget

- ➤ 94.3 percent wants the government to provide universal minimum social security including health and maternity benefits, accident insurance, life insurance and pension to all unorganized workers. In case of Schedule Caste and Schedule Tribe, the percentage increases to 97.9 percent and 97 percent respectively.
- ➤ 94.1 percent overall,100 percent women and 96 percent STs want an Increase the budget for National Health Mission.
- ➤ 96.6 percent youth in the age group of 18-24 from the SC community and 89.1 percent of the overall respondents want an increase allocation for scholarships for dalit, adivasis, minorities and women for their education and skill development. 98 percent STs demanded for the same.
- ➤ 91.4 percent wants the government to strengthen support services for the prevention of gender-based violence

<sup>&</sup>lt;sup>1</sup> https://www.newindianexpress.com/opinions/2021/jun/04/increasing-inequality-and-the-pandemic-2311411.html

<sup>&</sup>lt;sup>2</sup> https://docs.google.com/document/d/1CfzBcWmtKWUvdKsGlmaHWBVmffQdm9aD/edit

 $<sup>^3 \</sup> https://d1ns4ht6ytuzzo.cloudfront.net/oxfamdata/oxfamdatapublic/2021-01/The\%20Inequality\%20Virus\%20-\%20India\%20Supplement\%20\%28Designed\%29.pdf?RrFsF8iTfT.g_PfT0H7HLpMvSTrb.M__$ 

<sup>&</sup>lt;sup>4</sup> https://feature.undp.org/coronavirus-vs-inequality/

- ➤ 90.8 percent demand increase in allocation for opening of creches and other care facilities, percentage increases to 95.1 percent for Schedule Caste
- ➤ 89.3 percent wants the government to ensure that all schools provide additional academic support to students who experienced learning loss and roll NEP provisions like breakfast in schools; figure stands at 95.25 percent for Schedule Caste
- > 88.3 percent of the respondents want the government to universalize PDS and continue providing free food grains to the poor in pandemic beyond the month of March, 2022

#### What should the government do to increase the availability of the funds for social service

- > 89 percent of the respondents wants the government to impose fines on private companies who do not fulfill environmental norms
- ➤ 84 percent wants the government to place a 2% COVID surcharge on individuals earning more than INR 2 crore per annum; 89.3 percent wants the government to impose a temporary tax on companies making massive profits during the pandemic

#### What should be the overall priority of the government in the budget

- ➤ 97.4 percent of respondents want the government to control inflation in prices of fuel prices and food
- > 94.4 percent wants government to Introduce a Right to Health
- ➤ 93.6 percent wants the government to expedite government recruitment to increase employment of youth; percentage as high as 98 for respondents from SC category
- > 90.9 percent wants the government to provide COVID vaccination to be done free in both private and public health institutions
- > 80 percent want the government to address profiteering by private providers in education and health.

### Methodology

The survey was conducted through an online google form. The responses were either filled by the respondents themselves using the link to the google form or with the help of the surveyors where the respondents could not access the forms. The surveyors helped in recording the response of people who either did not have the digital tool or lacked the technical know-how of filling the survey form.

The total sample of the survey consists of 3231 respondents of which 23 precent are from urban and 77 from the rural geographical area. Of the total respondents, 65.2 percentage were male, 34.7 female and 4 Transgender. With regards to the social group representation, 54.01 Percentage responded to be from general caste, 22.06 from Schedule Caste, 3.11 from Schedule Tribe and 20.82 percent from OBC and EBC combined together.

The survey form consisted of four sections:

- a) Where should the government allocate additional funds in the upcoming budget
- b) What should the government do to increase the availability of the funds for social services
- c) What measures should the government take in the upcoming budget
- d) What should be the overall priority of the government in the budget

One of the limitations of the survey is that of the skewed sample with some of the states registering higher number of samples as compared to other states. Assam, Bihar, UP are the states with the highest number of samples registered.



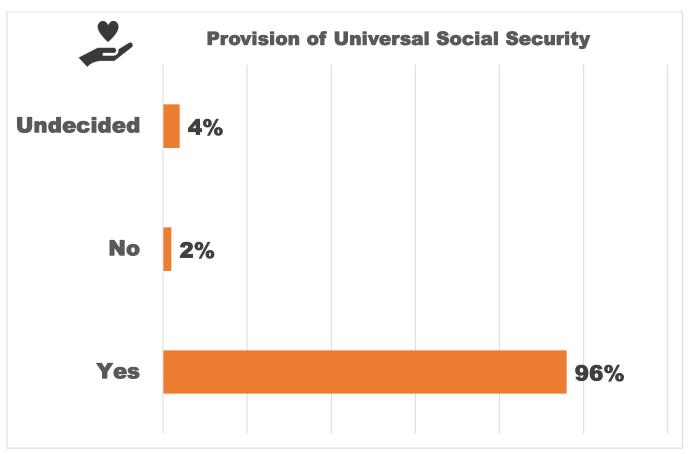


Picture 1 FIA India volunteer conducting pre-budget survey in Dubri, Assam

### Where should the government allocate additional funds in the upcoming budget?

96 percent want the government to provide universal minimum social security including health and maternity benefits, accident insurance, life insurance and pension to all unorganized workers. In the Percentage increases to 97.9 percent and 97 percent respectively for SC and ST

The workers in the unorganized sector constitute of more than 90 percent of the total work force in the country. Informality grew during the course of the pandemic, with some sources suggesting that nearly half of formal salaried workers moving into informal work during the course of the pandemic. The government has been implementing some social security measures for certain occupational groups but the coverage has remained low. The majority of workers lack social security coverage. Households coped with the income loss during the previous year by cutting back on food intake, selling assets, and borrowing informally from friends, relatives, and money-lenders; 90 per cent of respondents in the Azim Premji University CLIPS reported that households had suffered a reduction in food intake as a result of the lockdown. Accordingly, citizens expect a greater focus on social protection in the coming year.



<sup>&</sup>lt;sup>5</sup> http://164.100.47.193/lsscommittee/Labour,%20Textiles%20and%20Skill%20Development/17\_Labour\_25.pdf

<sup>6</sup> https://cse.azimpremjiuniversity.edu.in/wp-content/uploads/2021/05/State\_of\_Working\_India\_2021-One\_year\_of\_Covid-19.pdf

<sup>&</sup>lt;sup>7</sup> https://labour.gov.in/unorganized-workers

<sup>8</sup> https://cse.azimpremjiuniversity.edu.in/wp-content/uploads/2021/05/State\_of\_Working\_India\_2021-One\_year\_of\_Covid-19.pdf

### 94.1 percent overall, and 100 percent women, support an increase in the budget for the National Health Mission

As India finds itself amidst the third wave, it is not surprising that citizens expect an increase in the budget allocation for delivery of healthcare. An increased prioritization of healthcare would be critical to fight the pandemic and strengthen the health system overall. It also impacts extent of protection citizens get against financial hardships due to out of-pocket payments made for healthcare.

India had an overburdened health infrastructure; India has 11,268 people per government allopathic doctor and 1,863 per government hospital bed in India<sup>9</sup>. The Economic Survey 2020-21 has recommended increasing public spending on healthcare services from 1 per cent to 2.5-3 percent of GDP. It further mentions that public spending on healthcare can significantly reduce out of pocket expenditure from 65 percent to 35 percent<sup>10</sup>. The situation was exacerbated by the pandemic which introduced additional stain on the public health system.

The National Health Mission (NHM) is the largest scheme of the Ministry of Health and Family Welfare and has been an important vehicle for COVID-19 finances. Budget estimates for the scheme in 2021-22 stood at INR73,932 crore, 11 per cent lower than the previous year's Revised Estimates (REs) but 10 per cent higher than the BEs<sup>11</sup>. As rightly pointed out by the Economic Survey, 2021, it has played a critical role in mitigating inequity<sup>12</sup> and therefore an increase in the budget for NHM will have a significant positive impact, especially for the marginalized sections.

### 91.4 percent wants the government to strengthen support services for the prevention of gender-based violence

The National Family Health Survey (NFHS) 5 reveals that 29.3 percent of married women between the age of 18-49 face gender-based violence in India.<sup>13</sup> Several reports have also pointed towards the increase in incidence of gender-based violence during the lockdowns. A recent Oxfam India report has revealed that a total of 8.44 crore women are estimated to have suffered from gender-based violence<sup>14</sup>.

The scale of this shadow pandemic of violence against women and girls highlights the need for concrete measures to ensure protection of women. The government has recently informed Parliament that 704 'One Stop Centre' are operational for supporting women who face gender-based violence. While this is a positive step, there is a need to increase its accessibility since currently operational centers are located at the district level. Furthermore, the sheer scale of the problem creates challenges. If even 60% of the women who suffer from violence annually were to receive violence services, allocations for violence services should be around Rs 11,000 crores annually; ideally 90% of the costs should be borne by the central government<sup>15</sup>. Overall, the government needs to considerably increase the number of centers and

<sup>&</sup>lt;sup>9</sup> https://www.cprindia.org/system/tdf/policy-briefs/NHM\_2021\_22.pdf.

 $<sup>^{10}\</sup> https://www.thehindubusinessline.com/data-stories/data-focus/has-the-national-health-mission-been-effective-enough/article 35533043.ece$ 

<sup>&</sup>lt;sup>11</sup> https://www.cprindia.org/system/tdf/policy-briefs/NHM\_2021\_22.pdf.

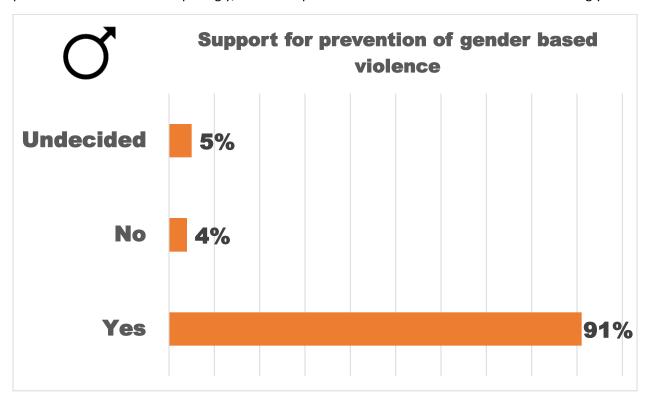
 $<sup>^{12}\</sup> https://www.indiabudget.gov.in/economicsurvey/doc/vol1chapter/echap05\_vol1.pdf$ 

<sup>&</sup>lt;sup>13</sup> http://rchiips.org/nfhs/NFHS-5 FCTS/India.pdf

<sup>&</sup>lt;sup>14</sup> https://www.oxfamindia.org/knowledgehub/workingpaper/towards-violence-free-lives-women-tracking-union-budgets-2018-21-violence-services#:~:text=A%20total%20of%208.44%20crore,borne%20by%20the%20central%20government.

<sup>&</sup>lt;sup>15</sup> https://dlns4ht6ytuzzo.cloudfront.net/oxfamdata/oxfamdatapublic/2021-02/Gender%20Budget%20and%20Financing%20for%20VAW%20-9.pdf?ZoJ4ukZCF1zMZrqtWwt2M7yagQyKAErv

hence allocate additional budgets. However, in the past allocations for schemes that are aimed at ensuring the safety and protection of women have been reduced. Under the Ministry of Home Affairs (Police), allocations for 'schemes for safety of women' saw a decrease of 88 per cent from 2020-21 (BE) to 2021-22 (BE). <sup>16</sup> Further, budget 2020-21 (BE) showed a reduction of 10 per cent under the schemes meant for protection of women. Unsurprisingly, citizens hope for an increase in the allocation in the coming year.



91 percent wants the government to increase budget for environment ministry to address disasters like air pollution

India is ranked 168<sup>th</sup> of 180 countries in the Environmental Performance Index and 179 in the air pollution in year 2020. <sup>17</sup> The Standing Committee on Science and Technology, Environment, Forests, and Climate Change,2020, also noted National Clean Air Programme (NCAP) to be of utmost importance in the present-day context. <sup>18</sup> Every year, several major cities across the county bares the brunt of air pollution reaching to hazardous level leading to adverse health impact. Recent reports suggest that there has been minimal or no improvement in air pollution levels in the last three years <sup>19</sup>. This has had impact on citizen health and well-being. Air pollution ranks the second most significant risk factor in disease in India <sup>20</sup>. Accordingly, there is a critical need for the government to take concrete measures to curb air pollution and strengthen climate adaption measures to address the impact of climate change.

90.8 percent demanded increase allocation for opening of creches and other care facilities; this support rises to 95.1 percentage for Schedule Castes

<sup>&</sup>lt;sup>16</sup> https://www.cbgaindia.org/wp-content/uploads/2021/02/Budget-in-the-Time-of-Pandemic-An-Analysis-of-Union-Budget-2021-22.pdf

<sup>17</sup> https://epi.yale.edu/epi-results/2020/country/ind

<sup>&</sup>lt;sup>19</sup> https://www.ndtv.com/india-news/minimal-or-no-improvement-in-air-pollution-levels-in-last-3-years-report-2700700

<sup>&</sup>lt;sup>20</sup> https://phfi.org/wp-content/uploads/2018/05/2017-India-State-Level-Disease-Burden-Initiative-Full-Report.pdf

Female labour force participation in India is the lowest among BRICS countries. A 2019 analysis showed that only 21% of women in India participate in the workforce; this declined further during the pandemic when over one year to November 2020, 13% women lost their jobs as compared to 2% men<sup>21</sup>. The Maternity Benefit Act 2017 provides for setting up of creches in workplaces to promote employment of women; however compliance with this clause has remained minimal. At the same time, the Ministry of Women and Child Welfare runs a National Creche Scheme for day care facilities under six years of age; however, as of on March 2020, only 6453 such creches across the country. This is not only inadequate, but also a 45% drop from the preceding years. The Standing Committee on Labour too, in April 2021, suggested investing in childcare and linked infrastructure.<sup>22</sup>

Strengthening creche facilities would not only benefit women, but children. The National Family and Health Survey, 2019-20, showed that nutrition levels in India have fallen. Under-nutrition, wasting and stunting levels among children have shown a rise during the pandemic in a majority of states for which data were released, and this could reverse decades of work India has done to address this issue. <sup>23</sup> A 91% rise in the number of severely acute malnourished children has been seen between November 2020 and October 14, 2021, up from 9.27 lakh to 17.76 lakh. <sup>24</sup>

Hence, there is an urgent need for improved quality and reach of day care services/crèches for working women amongst all socio-economic groups both in the organized and unorganized sectors.

89.3 percent wanted the government to ensure that all schools provide additional academic support to students who experienced learning loss and roll out National Education Policy provisions like breakfast in schools; the figure stands at 95.25 percent for Schedule Caste and 98 percent of ST respondents

India has experienced the second longest school lockdown in the world (as of 30<sup>th</sup> Nov, 2021)<sup>25</sup>. This has disrupted the education system and left an entire generation without access to learning and social protection that schools bring. A recent report by UNICEF found that 76% of Indian students faced learning losses during the pandemic;<sup>26</sup> 42 per cent of children between 6-13 years reported not using any type of remote learning during the ongoing school closures.<sup>27</sup> Another study by Azim Premji University highlights that 92% of children have lost at least one specific language ability over the first year of the school lockdown <sup>28</sup>

In addition to the learning loss, nutritional loss amongst the children was also exacerbated by the disruption of the Mid-Day Meal programme, the biggest school feeding intervention in the world. Children that relied on nutrition services provided by schools have been put to risk of suffering from worsening health and nutritional status in the short and medium term.<sup>29</sup> As a result, since the pandemic outbreak,

<sup>&</sup>lt;sup>21</sup> https://www.indiaspend.com/women/large-employers-are-required-to-provide-creches-but-most-dont-733316

<sup>&</sup>lt;sup>22</sup> https://prsindia.org/theprsblog/impact-of-covid-19-on-unemployment-in-urban-areas

<sup>&</sup>lt;sup>23</sup> https://www.indiaspend.com/budget/despite-pandemic-health-budget-sees-little-real-increase-721259

<sup>&</sup>lt;sup>24</sup> https://www.thehindu.com/news/national/over-33-lakh-children-in-india-malnourished-177-lakh-of-them-severely-malnourished-government-data/article37367403.ece

<sup>&</sup>lt;sup>25</sup> https://en.unesco.org/covid19/educationresponse#durationschoolclosures

<sup>&</sup>lt;sup>26</sup> https://www.news18.com/news/education-career/76-of-indian-students-faced-learning-losses-during-pandemic-unicef-4474373.html

 $<sup>^{27}\,</sup>https://www.unicef.org/india/press-releases/repeated-school-closures-due-covid-19$ 

<sup>&</sup>lt;sup>28</sup>https://cdn.azimpremjiuniversity.edu.in/apuc3/media/publications/downloads/Field\_Studies\_Loss\_of\_Learning\_during\_the\_Pandemic.f1622 994202.pdf

<sup>&</sup>lt;sup>29</sup> https://www.unicef-irc.org/publications/pdf/COVID-

<sup>19</sup>\_Missing\_More\_Than\_a\_Classroom\_The\_impact\_of\_school\_closures\_on\_childrens\_nutrition.pdf

India has seen a 30% decrease in calorie intake among children. <sup>30</sup>The Parliamentary Standing Committee on Education, in its 328<sup>th</sup> report on 'Plans for Bridging the Learning Gap caused due to School Lockdown and Plans for re-opening of Schools'<sup>31</sup> suggested wholesome nutritional food to be provided in schools for bringing back children to schools. National Education Policy too, unequivocally talks about the importance of nutritional meals as well as significance of breakfast.<sup>32</sup>

Concrete steps are accordingly needed to address the consequences of a disrupted educational system.

89.1 percent of the overall respondents and 96.6 percent Youth in the age group of 18-24 from the SC community wants an increase allocation for scholarships for dalit, adivasis, minorities and women for their education and skill development. 98 Percent STs wanted an increase in allocation for Scholarships

85 percent of the Muslim youth between the age of 18-24 also demanded for it. An overall 89.1 percent people want the government to increase allocation for scholarships and skill development for the marginalized.

The economic hardships stemming from the pandemic has severely impacted the education of children and youth from the most marginalized sections and there is huge risk of children and youth dropping out of education. Under such circumstances, subsidizing and incentivizing their education through provision of scholarships plays a vital role in encouraging children to continue with their education. A report by NCDHR found that of the total surveyed students, more than 30 percent didn't receive their scholarship last year, 47 percent of which were girls. <sup>33</sup>Another study by CBGA reported that in the last five years, scholarship allocation for SCs has been falling continuously and has witnessed a decline of 58%; and for OBCs, spending on scholarships either stayed stagnant or increased marginally. <sup>34</sup>

## 89 percent of the respondents wants government to release salary dues to frontline workers including ANM and Teachers

The government in many instances has continued to default on health care and frontline workers' salaries. On Nov 10<sup>th</sup> ASHA workers in Kolhapur stopped vaccine-related work over non-payment.<sup>35</sup> Around the same time, ASHA wrokers in Bengaluru also staged protest over pending dues as well as allotment of undesignated tasks.<sup>36</sup> Similar incidences of non-payment of salaries has been reported in various media reports. As per a report in the Times of India, nearly 870 doctors of 1,080 appointed in first-line treatment centers resigned as they were paid an amount of Rs 27,000 per month as salary, instead of the Rs 42,000 promised at the time of recruitment.<sup>37</sup> Similarly, 7000 teachers from north Delhi corporation also stopped taking classes due to the pending salaries.<sup>38</sup> Accordingly,

<sup>&</sup>lt;sup>30</sup> https://citizenmatters.in/opinion-how-school-closure-has-impacted-the-nutritional-status-of-children-27857

 $<sup>^{31}</sup> https://rajyasabha.nic.in/rsnew/Committee\_site/Committee\_File/Press\_ReleaseFile/16/144/414P\_2021\_8\_15.pdf$ 

<sup>&</sup>lt;sup>32</sup> https://www.education.gov.in/sites/upload\_files/mhrd/files/NEP\_Final\_English\_0.pdf

<sup>&</sup>lt;sup>33</sup> http://www.ncdhr.org.in/wp-content/uploads/2021/10/Confronting-the-Pandemic-Response-and-Recovery-for-Dalit-and-Adivasistudents.pdf

 $<sup>^{34}\</sup> https://www.cbgaindia.org/blog/shrinking-education-budget-hit-scholarships-students-deprived-communities/$ 

<sup>35</sup> https://www.livemint.com/news/india/a-million-frontline-covid-workers-demand-india-boost-40-salary-11638401360620.html

<sup>&</sup>lt;sup>36</sup> https://www.newindianexpress.com/cities/bengaluru/2021/nov/16/asha-workers-protest-over-dues-2384072.html

<sup>&</sup>lt;sup>37</sup> https://www.financialexpress.com/opinion/states-ulbs-not-paying-frontline-workers-healthcare-professionals-is-nothing-short-of-govt-default/2095379/

<sup>38</sup> https://www.thehindu.com/news/cities/Delhi/will-go-on-indefinite-strike-if-salaries-not-paid-teachers/article37798524.ece

# 88.3 percent of the respondents support the need to universalize public distribution system and continue with providing free food grains to the poor in pandemic beyond the month of March, 2022

India ranked 101<sup>st</sup> out of 116 countries in the 2021 Global Hunger Index.<sup>39</sup> Last year, the government had announced PM-GKAY (Pradhan Mantri PM Garib Kalyan Yojana) for approximately 80 crore beneficiaries covered by the National Food Security Act (NFSA). The union cabinet further extended it till March 2022<sup>40</sup> but yet again, millions of migrant workers and those who do not have ration cards are left out of the announcement. Despite these measures economic distress continues and many economists worry that a third wave could reverse the economic recovery seen in the previous quarter<sup>41</sup>. Furthermore, the unemployment rate in December 2021 also showed an increase from 7 percent in November 2021 to 7.9 in December 2021, in just a matter of a month. In the wake of economic disruptions caused by the Covid-19 outbreak, it is important that greater focus is placed on ensuring food security.

### In contrast, only 36.2% wanted higher tax rebates to large corporates and the super-rich

53.7 percent disagreed to the proposition and 10 percent of the respondents were unsure about it. In September 2019, the government announced a massive tax rate cut, lowering the base corporate tax rate to 22% from 30%, and to 15% from 25% for new manufacturing companies. <sup>42</sup> The Oxfam India reported that the corporate tax cut has resulted in a loss of Rs 1.5 lakh crore, which has contributed to the increase in India's fiscal deficit. <sup>43</sup> The majority of respondents appeared to be opposed to further subsidies to corporates and the super-rich.

<sup>&</sup>lt;sup>39</sup> https://www.globalhungerindex.org/india.html

<sup>&</sup>lt;sup>40</sup> Modi govt extends free ration scheme till March next year: Sources | India News – India TV (indiatvnews.com)

<sup>&</sup>lt;sup>41</sup> Unemployment Rate Touches Four-Month High Of 7.9 Per Cent In December 2021: CMIE (india.com)

<sup>&</sup>lt;sup>42</sup> https://scroll.in/article/961662/why-india-needs-to-rethink-its-corporate-tax-cut#:~:text=On%20September%2020%2C%202019%2C%20less,25%25%20for%20new%20manufacturing%20companies.&text=It%20was%20a%20bold%20move,by%20the%20Modi%202.0%20regime.

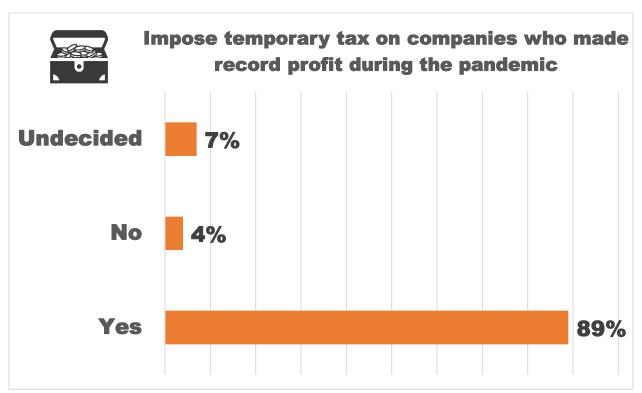
<sup>&</sup>lt;sup>43</sup> https://dlns4ht6ytuzzo.cloudfront.net/oxfamdata/oxfamdatapublic/2022-01/India%20Supplement%202022%20lores%20Single.pdf?qpboOXJULM6jrm1QUPjW\_e2zSPYHDVhx

# What should the government do to increase availability of funds for social services?

## 89.3 percent wants the government to impose a temporary tax on companies making massive profits during the pandemic

The pandemic has only made income disparities starker as many are struggling to stay afloat, the ultrarich only grew richer. A temporary solidarity tax on the wealthy and super-rich in Peru, one-off wealth tax on the richest 10,000 citizens which aims to raise USD 3 billion for social spending for those impacted by the pandemic, levies on the rich in countries like Spain and Russia are some of the examples. <sup>44</sup> American economist and Nobel laureate Joseph E Stiglitz has also recently advocated taxing the super-rich class in India to raise resources for fighting the COVID-19 pandemic. <sup>45</sup>

While 84 percent respondents expressed the need to impose 2 percent covid surcharge on the individuals earning more than 2 crore per annum, 89.3 percent of the respondents also want temporary tax to be imposed on the companies making massive profit during the pandemic.



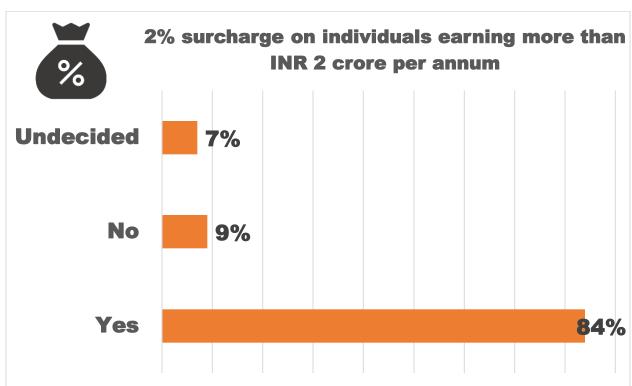
<sup>&</sup>lt;sup>44</sup> https://d1ns4ht6ytuzzo.cloudfront.net/oxfamdata/oxfamdatapublic/2021-01/The%20Inequality%20Virus%20-%20India%20Supplement%20%28Designed%29.pdf?RrFsF8iTfT.g\_PfT0H7HLpMvSTrb.M\_\_

<sup>&</sup>lt;sup>45</sup> https://www.livemint.com/companies/people/tax-the-super-rich-in-india-to-raise-resources-to-fight-covid-19-nobel-laureate-joseph-e-stigliz-11601944689266.html

## 89 percent of respondents wanted the government to impose fines on private companies who do not fulfill environmental norms

In 2021, India expressed its commitment to achieving net zero carbon emissions by 2070<sup>46</sup>. There has been an increasing demand from the public to address climate change and improve the environment conditions. An alliance of global investors has accused 37 Indian companies including Dabur India Ltd, Godrej Consumer Products Ltd and Bharat Petroleum Corporation Ltd of allegedly not disclosing the full extent of their impact on climate crisis, water shortage and deforestation. <sup>47</sup> Imposing fines would not only serve the purpose of improving the environment but will also help in generating revenue for the government to support delivery of social services. In contrast, last year, the environment ministry proposed an amnesty scheme for violators of environmental norms <sup>48</sup> and has taken other steps to loosen environmental clearances <sup>49</sup>.





The combined wealth of Indian billionaires more than doubled during the course of the COVID-19 pandemic. An additional one per cent tax on the richest 10 per cent can fund the total expenditure of the Department of School Education and Literacy under the Ministry of Education for 25 years or provide the country with nearly 17.7 lakh extra oxygen cylinders, while a similar wealth tax on the 98

<sup>46</sup> https://pib.gov.in/PressReleasePage.aspx?PRID=1768712

<sup>&</sup>lt;sup>47</sup> https://www.downtoearth.org.in/blog/environment/investors-accuse-37-indian-companies-of-hiding-environmental-impact-information-71670

<sup>&</sup>lt;sup>48</sup> https://www.hindustantimes.com/environment/ministry-releases-amnesty-scheme-for-violators-of-environment-norms-101626232197368.html

<sup>49</sup> https://www.indiaspend.com/earthcheck/year-in-review-diluting-environmental-norms-may-derail-indias-ambitious-climate-goals-793923

richest billionaire families would finance Ayushman Bharat, the world's largest health insurance scheme, for more than seven years<sup>50</sup>.

Similarly, Oxfam International has called for a 99% windfall tax on the pandemic gains of the world's richest 10 people to pay for the vaccinating the world; if these ten men were to lose 99.999 percent of their wealth tomorrow, they would still be richer than 99% of all the people on the planet<sup>51</sup>.

Various countries have explored measures to tap into this wealth. This includes such diverse countries as Peru, Spain and Russia. <sup>52</sup> Globally, according to a study conducted by the Fight Inequality Alliance, Patriotic Millionaires together with Oxfam, a progressive wealth tax starting at 2% for those with more than \$5 million and rising to 5% for billionaires could raise \$2.52 trillion, enough globally to lift 2.3 billion people out of poverty and guarantee healthcare and social protection for individuals living in lower income countries<sup>53</sup>.

### What citizens do not want the government to do

• 60 percent do not want the government to privatize key public sector organizations such as LIC

10 percent were undecided on the proposition. The previous year saw a range of steps by the government to raise \$81 billion through monetization of assets under the National Monetization Pipeline program. An IPO is expected to take place in Q1 of 2022 to offload 10% of the government stake in LIC<sup>54</sup>. This has seen a mixed reaction with its supporters pointing towards its scope to raise resources from the market and its critics highlighting the increased risk of exclusion and fraud arising from its privatization; <sup>55</sup> a private company would be expected to work for its shareholders, not the national development<sup>56</sup>. Privatization of public goods is seen as systematically eliminating human rights protections and further marginalizing those living in poverty. <sup>57</sup>

 48.6 percent do not want the government to borrow money from the World Bank and foreign countries

18.5 percent were undecided. India has taken a range of loans in the preceding years from the World Bank, ADB and other IFIs. Experience shows that borrowing loans from institutions like World Bank risks promoting greater privatization of public services.

 $<sup>^{50}\,</sup>https://www.oxfamindia.org/knowledge hub/working paper/inequality-kills-india-supplement-2022$ 

<sup>&</sup>lt;sup>51</sup> https://policy-practice.oxfam.org/resources/inequality-kills-the-unparalleled-action-needed-to-combat-unprecedented-inequal-621341/

<sup>52</sup> https://d1ns4ht6ytuzzo.cloudfront.net/oxfamdata/oxfamdatapublic/2021-01/The%20Inequality%20Virus%20-

<sup>%20</sup>India%20Supplement%20%28Designed%29.pdf?RrFsF8iTfT.g\_PfT0H7HLpMvSTrb.M\_

<sup>53</sup> https://www.reuters.com/business/millionaires-group-calls-wealth-tax-virtual-davos-2022-01-19/

<sup>54</sup> https://www.financialexpress.com/market/sitharaman-reviews-progress-on-planned-mega-lic-ipo/2401383/

<sup>&</sup>lt;sup>55</sup> https://www.financialexpress.com/market/sitharaman-reviews-progress-on-planned-mega-lic-ipo/2401383/

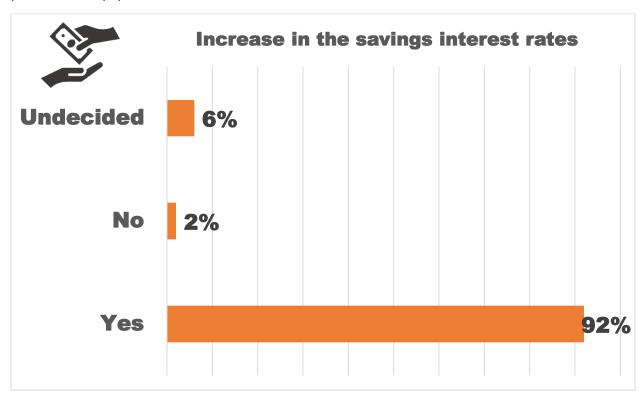
<sup>&</sup>lt;sup>56</sup> https://www.newindianexpress.com/opinions/2021/sep/02/why-the-lic-ipo-is-not-a-good-idea-2353009.html

<sup>57</sup> https://www.newsclick.in/privatisation-harms-poor-and-needy-says-un-poverty-expert

### What measures should the government take in the upcoming budget?

### 93.5% want an increase in the savings interest rates to provide relief to middle class

Reserve Bank of India has kept interest rates low, in a bid to kickstart the staggering Indian economy. In March 2021, in line with the reducing the fix deposit rate, government cut interest rates on small savings schemes, including NSC and PPF, by up to 1.1 per cent. Interest rate on the PPF is at its lowest since 1974.<sup>58</sup> While this policy helps large corporations access easy credit, it grievously impacts small savers.<sup>59</sup> Grappling with spiraling prices, lower incomes and lower returns on savings, the hapless middle class presents a sorry spectacle.



#### 87.1% want an increase in the income tax exemption limit for women to help working women

COVID-19 had a devastating impact upon overall employment and that the net shortfall is of 6.3 million jobs between March 2020 and March 2021. Employment was worst hit in the second wave and women fared worse in all quarters between March 2020-21<sup>60</sup>. A study by Azim Premji University found that women were 7 times more likely to lose their job during the covid period and 11 times more likely to

 $<sup>58 \</sup> https://www.newindianexpress.com/nation/2021/mar/31/narendra-modi-government-slashes-interest-rates-on-ppf-kvp-and-other-small-savings-schemes-2284093.html$ 

 $<sup>59\</sup> https://scroll.in/article/987415/rising-petrol-prices-shrinking-savings-don-t-matter-indias-middle-class-is-mesmerised-by-modiant for the control of t$ 

 $<sup>60\</sup> https://www.thehindu.com/news/national/most-disproportionate-loss-of-jobs-because-of-the-first-wave-of-covid-19-was-among-urban-women/article 36831134.ece$ 

not return to work. <sup>61</sup>. In this context, giving tax exemption to women can promote their participation in the economy. Survey response too resonates with this suggestion.

80.5 of the respondents wants the government to provide incentives to organizations that are implementing provisions of the PWD Act and have over 3% employees with disabilities

According to a report released by Unearthinsight India has 3 crore people with disability (PwD) of which 1.3 crore are employable, only 34 lakh have been employed in the organized and unorganized sectors, as part of government-led schemes or are self-employed.<sup>62</sup> An analysis of disclosures by listed companies reveals that the share of PwDs is a negligible 0.46 per cent of their employee base.<sup>63</sup> This brings the need for incentivizing private sector for employing people with disability.

More production linked incentives to corporates and incentives for foreign investment in India for manufacturing, production and supply

60 percent of the respondent expressed their agreement with government providing more production-based incentives to the corporates. Further, 74.4 percent of the respondents wants the government to create incentives for foreign investments in India for manufacturing, production and supply. Furthermore, 54 percent and 55.2 percent of the respondents expressed their agreement with government providing tax incentives to corporates for profit recovery and transferring of public assets to big corporates through PPP to generate receipts, respectively.

 $<sup>61\</sup> https://timesofindia.indiatimes.com/city/mumbai/women-11-times-more-likely-to-not-work-after-covid-jobloss/articleshow/81233013.cms$ 

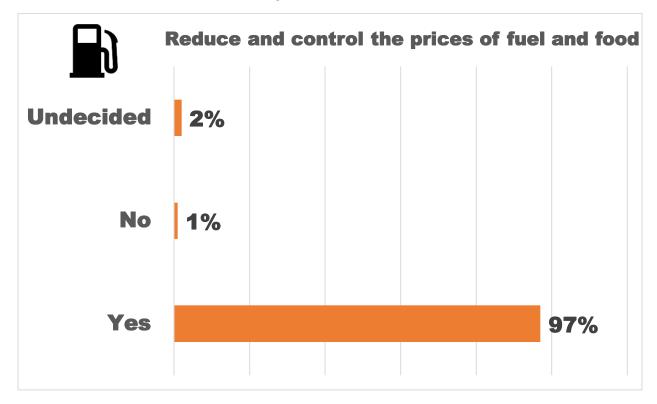
<sup>62</sup> https://indianexpress.com/article/jobs/half-of-the-disabled-population-in-india-employable-report-7405660/

<sup>&</sup>lt;sup>63</sup> https://www.business-standard.com/article/companies/persons-with-disabilities-form-less-than-0-5-of-staff-in-india-s-top-firms-119111200206\_1.html

#### Overall Priorities for Government in the Upcoming Budget, 2022-23

### 97.4 percent of the respondents want the government to reduce and control inflation in prices of fuel prices and food

In India, Centre and State taxes on fuel add up to roughly 60 percent of the total retail price which is the highest level for sector worldwide. A large spike of 37.6 percent in the month of April and May lead to an increase in the wholesale price inflation to a record 12.94% in May 2021. Indirect taxes on a commodity like fuel which is consumed by both the rich and the poor puts the relative burden on the poor because the tax is not calculated based on the income of the buyer and it further leads to an increase in the price of other commodities, including essentials like food. In the last one year, the prices of essential food items have increased by 40 to 100 per cent, making it very difficult for families to make ends meet. Union minister Dharmendra Pradhan recently expressed the government's concern about the issue of inflation and assured that the government will control it in time.



#### 94.4 percent wants government to Introduce a Right to Health

One of the most critical reasons for the weak public health in India is the absence of a statutory framework that guarantees a fundamental right to health. <sup>67</sup>In September 2019, a High-Level Group on the health sector constituted under the 15th Finance Commission had recommended that the right to

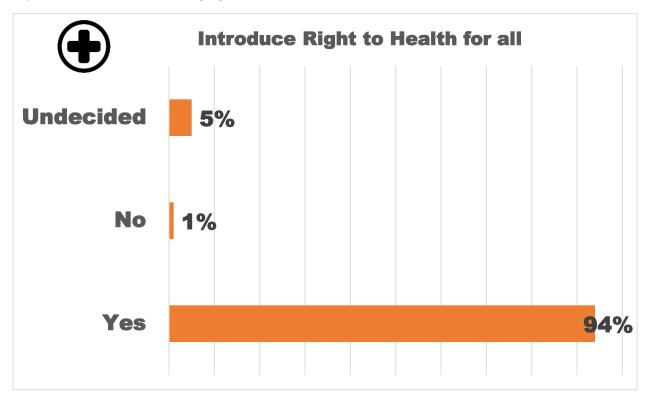
<sup>64</sup> https://www.moneycontrol.com/news/india/in-depth-what-can-the-modi-government-do-to-reduce-indias-high-fuel-prices-7696591.html

<sup>65</sup> https://www.thehindu.com/business/Economy/surging-fuel-prices-push-wholesale-inflation-up-to-nearly-13/article34810370.ece

<sup>&</sup>lt;sup>66</sup> https://www.indiatoday.in/india/story/pandemic-spike-prices-essential-items-difficult-common-people-1812561-2021-06-09

<sup>67</sup> https://www.orfonline.org/expert-speak/declaring-the-right-to-health-a-fundamental-right/

health be declared a fundamental right.<sup>68</sup> This would also help in codifying a minimum standard of healthcare provision and bringing down the high out of pocket expense, which as per the economic survey of India, currently stands at 65 percent; this is very high as compared to the global average of 18.2 percent. <sup>69</sup> More than 6 crore people fall into poverty every year because of the high out of pocket expenditure on health<sup>70</sup> making right to health crucial.



93.6 percent wants the government to create new posts and expedite government recruitment to increase employment of youth; percentage as high as 98 for respondents from SC category

The Indian job market is facing one of its worst crises amidst the COVID-19 pandemic. Over 10,600 people died by suicide in India due to unemployment, bankruptcy and indebtedness according to the latest NCRB data. There is an urgent need for the government to provide job opportunities to youth in particular. According to the All-India State Government Employees Federation (AISGEF), the number of posts lying vacant in various state government departments and ministries, if taken together, will be more than 30 lakh. A report by UNESCO estimates a total of 11.16 lakh teaching positions in schools lying vacant in the country. Standing Committee on Personnel & Law, in its recent report found that 50

19

<sup>69</sup> https://www.indiabudget.gov.in/economicsurvey/doc/vol1chapter/echap05\_vol1.pdf

<sup>&</sup>lt;sup>70</sup> https://www.ndtv.com/india-news/medical-expenses-push-6-crore-indians-to-poverty-annually-top-official-indu-bhushan-1949129

<sup>&</sup>lt;sup>71</sup> https://timesofindia.indiatimes.com/city/bengaluru/2020-stats-30-suicides/day-due-to-poverty-unemployment/articleshow/87749894.cms

<sup>72</sup> https://www.theleaflet.in/over-60-lakh-central-and-state-govt-posts-lying-vacant/

<sup>73</sup> https://unesdoc.unesco.org/ark:/48223/pf0000379115

percent of the posts of SC, ST and OBC are lying unfilled in 10 ministries. <sup>74</sup> Filling up these posts itself would contribute to reducing the specter of joblessness that has haunted India in the past few years.

### 91.7 percent people wants the government to develop a fully-funded national strategy to address frequent risk of natural disasters

While people battled with corona on one side, there were several natural disasters that occurred in the last two years claiming many lives and leaving several people vulnerable. While the National and State Disaster Management Authorities and other mechanisms exist to deal with disasters, it is important that these mechanism and bodies are funded adequately to respond to the disaster on time and with efficiency. Furthermore, a greater focus is needed on disaster preparedness and prevention of the full range of natural and man-made disasters.

## 90.9 percent demanded the government to ensure vaccine is provided free in both private and public health institutions

The government, in the month of May, announced that the entire adult population will be vaccinated by 31<sup>st</sup> December, 2021. However, by mid-December, only 55 percent of the total eligible population was been completely vaccinated.<sup>75</sup> The government's initial decision to reserve 25 percent of the total vaccine for the private providers can be seen as one of the major reasons for the low vaccination rate. An Indian family with 3 adults will have to pay INR 3600 in a private hospital for a full course of the Covishield vaccine or INR 7200 for Covaxin. This amounts to 24% of their monthly income for the former and 48% for the latter. For the bottom 20% of households, this burden will be 43% and 86% of their monthly income respectively. Thus, only the rich can really afford these rates. <sup>76</sup> Government's decision to provide vaccine for free in government hospitals has proven to a great step towards complete vaccination. However, in India, where more than 70 percent of healthcare providers are in the private sector, it would be vital that the vaccinations are provide for free in those institutions as well.

### 84.6 respondents overall and 95.3 percent of the SCs wants the government to introduce Socio Economic Caste Census

The demand for a caste census has been a long -standing one. The National Commission for Backward Classes (NCBC) too has urged the Ministry of Social Justice and Empowerment to collect data on the population of Other Backward Classes (OBCs) in the country "as part of Census of India 2021 exercise" However the government has cited the operational difficulties in conducting the caste census for OBCs as a reason for not collecting this data. Not having the caste census hampers targeted interventions for the welfare of social excluded communities.

# 80 percent wants the government to address profiteering by private providers in education and health based/strengthen enforcement of regulations.

There has been a rampant exploitation by the private hospitals and private schools during the pandemic. A report by Oxfam on status of private schools during COVID 19 found that 39% parents were

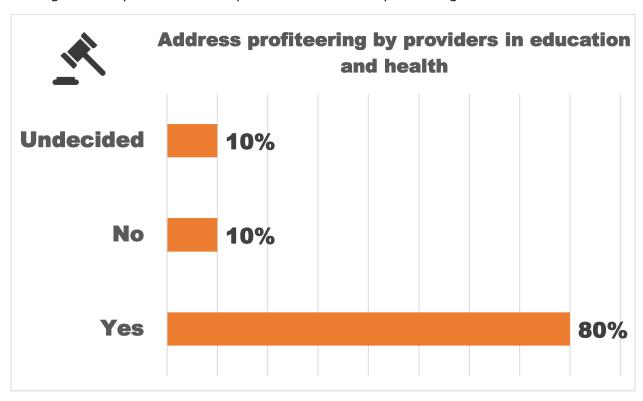
<sup>74</sup>https://rajyasabha.nic.in/rsnew/Committee\_site/Committee\_File/Press\_ReleaseFile/18/146/390P\_2021\_3\_17.pdf

<sup>&</sup>lt;sup>75</sup> https://www.thehindu.com/news/national/55-of-eligible-adult-population-fully-vaccinated/article37953522.ece

<sup>&</sup>lt;sup>76</sup> https://d1ns4ht6ytuzzo.cloudfront.net/oxfamdata/oxfamdatapublic/2021-07/India%20vaccine%20brief%20-%2013%20July.pdf?vd8V0cBMy58X6npADVQ8bvg8e03L0YFk

<sup>&</sup>lt;sup>77</sup> https://indianexpress.com/article/india/backward-classes-panel-urges-govt-to-carry-out-obc-count-in-census-7254999/

charged hiked fees despite the physical closure of schools and state guidelines restricting fee hikes. <sup>78</sup> Similarly, private hospitals too has been taking undue advantage during covid by overcharging and exploiting the patients. For example, Karnataka state government received nearly 1,700 complaints from the public on private hospitals, including many of prominent ones in State, collecting excess amount for treating COVID-19 patients. <sup>79</sup> Such experiences were commonplace during COVID 19.



#### 79.5 percent wants the government to Introduce MSP for Agriculture

Only 6% or less farmers can sell their crops at a better price than MSP.<sup>80</sup> There has been continuing demand form the farmers to continue with the government's MSP as it provides security to the farmers against any drastic loss. Even the recent protest by the farmers demanding government to roll back the three farm laws it has introduced, MSP was one of the major concerns that the farmers emphasized on.

<sup>78</sup> https://www.oxfamindia.org/sites/default/files/2020-

<sup>09/</sup>S tatus % 20 report % 20 Government % 20 and % 20 private % 20 schools % 20 during % 20 COVID % 20-% 2019. pdf to the first property of the property of t

<sup>79</sup> https://www.thehindu.com/news/cities/bangalore/1700-complaints-against-hospitals-for-overcharging/article37170164.ece

<sup>&</sup>lt;sup>80</sup> https://krishijagran.com/blog/msp-why-is-it-necessary-for-farmers-and-common-people/

### Recommendations

Overarching ask: Introduce and fund a peoples' package that addresses the needs of India's 99% and builds a more equal and fair society

Ask 1: Introduce a people; package that addresses the rights of India's majority and contribute to the creation of a more equal and fair society

- 1. Increase the budget of the national health mission to strengthen the public health facilities in response to the COVID-19 pandemic and need to deliver universal vaccination.
- 2. Universalize PDS in the next year and expand it to include nutritious food like, millets, dals, pulses, oil, sugar and potatoes and onions
- 3. Save a potentially lost generation of children at risk of dropout, especially girls, by providing additional academic support to students who experienced learning deprivation, address child labour and dropout and roll out new provisions like breakfast in schools.
- 4. Release dues and ongoing regular payment of frontline workers, including ANMs, ASHAs, AWWs and teachers
- 5. Introduce a fully-funded national strategy to address frequent risk of natural disasters
- 6. Extend 200 days of work per worker under MGNREGA to compensate for lost work, increasing direct benefit transfers like PM-KISAN (extended to include sharecroppers and agriculture labourers) to reach the vulnerable and offer ex-gratia payment to deceased under NDMA Act
- 7. Consult civil society, unions, CBOs, Women's Rights Organisations and communities in developing the package and including civil society in decision making committees related to the response.

Ask 2: Uphold the rights and dignity of all people, especially the more vulnerable, during the pandemic including women; introduce a legislation outlawing all forms of discrimination

- Disability responsive planning and budgeting by all ministries. Specific earmarking of budgets for disability under various central/state schemes of different Ministries/Departments including colleges and universities.
- 2. Strengthen support services for the prevention of gender-based violence, open additional creches and other care facilities and prevent trafficking and child marriage
- 3. Provide scholarships for all eligible dalit, adivasis, minorities and women for their education and skill development

Ask 3: Fund this relief through ploughing back some of the windfall profits made by India's superrich and ensuring fair distribution of public revenue between the centre and states

- Roll back tax concessions given to large corporates in September 2019, improve collection
  of corporate taxes and introduce a temporary tax on companies making windfall profits
  during the pandemic
- 2. Place a 2% additional surcharge on individuals earning more than INR 2 crore per annum
- 3. Impose fines on private companies who do not fulfill environmental norms