

Analysing the Gender Budget of 2024-25 | Explained

What are the different components of the Gender Budget Statement? Have instances of missing allocations been reported by experts with respect to the Gender Budget? How should these anomalies be rectified by the government?

Published – August 29, 2024 11:03 pm IST

SONA MITRA , SRUTHI KUTTY, SONAKSHI CHAUDHRY



Labourers aided by the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), work at a construction site on the outskirts of Amritsar on July 23. | Photo Credit: AFP

The story so far: Women-led development remains at the core of announcements made by the Finance Minister (FM) in this year's Budget. This commitment to women empowerment was reflected in Budget allocations to pro-women programmes, as reported by the Gender Budget Statement (GBS). The GB reached 1% of GDP estimates in 2024-25 for the first time, and overall allocations currently stand at more than ₹3 lakh crore for pro-women programmes.

What is the reason for the increase?

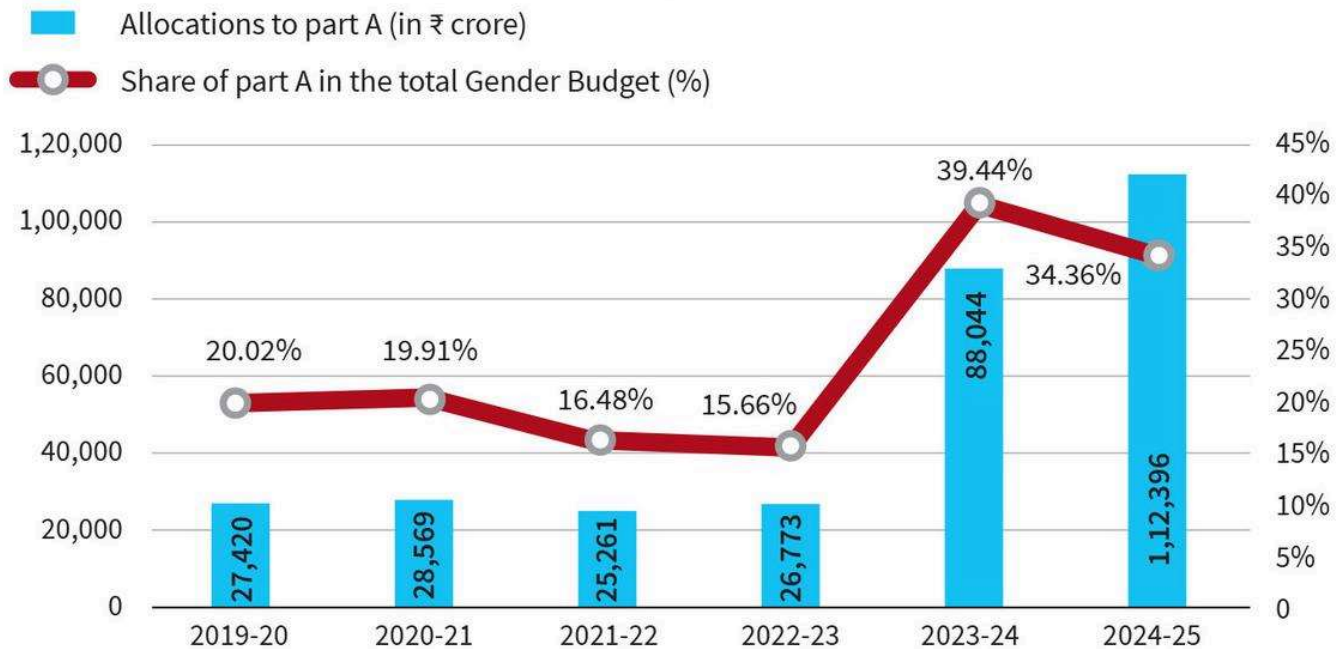
The GBS, since it was first introduced in 2005-06, consistently reported an average share of 5% of the total budgetary allocations, with marginal ups and downs. This year is special as the share of allocations to pro-women schemes stands at approximately 6.8% of the total budget expenditure for 2024-25, which is way above the usual trends and marks a positive departure from status quo.

The increase in GB allocations are driven by two factors. A part of this increase has been on account of the newly included Part 'C,' a third part in the GBS that reports pro-women schemes with less than 30% provisioning for women. The PM Kisan scheme in the agriculture sector has been reported in part C with an outlay of ₹15,000 crore. This is 25% of the total outlay of the programme. The second factor driving the overall increase is the increment in part A of the GBS. Part A reports expenditures in schemes with 100% allocation for women.

Part A had previously constituted 15-17% of overall allocations reported in the GBS till BE 2022-23. Since BE 2023-24, there was a sudden increase in the allocations in part A that raised the share of pro-women schemes with 100% allocations for women to almost 40% (figure 1).

Figure 1: The allocations under part A and the share in the total Budget

Part A reports expenditures in schemes with 100% allocation for women. Since BE 2023-24, there has been a sudden increase in the allocations in part A.



This was mainly due to a change in the reporting where the Pradhan Mantri Awas Yojana (PMAY) — rural and urban — started getting reflected in part A instead of part B. Part B of the GBS reports programmes with allocations of 30-99% for women. Hence, only a part of PMAY was reported earlier. Beginning last year, the entire allocation of ₹80,670 crore in PMAY for 2024-25BE has been reported under part A thus driving the up allocations. Such reporting of PMAY may not be entirely accurate as not all beneficiaries are women.

Have there been other instances of over-reporting/under-reporting?

Over-reporting may also be found in other instances such as the PM Employment Generation Programme (PMEGP), which aims to assist entrepreneurs in setting up micro businesses in the non-farm sector. The GBS reported an allocation of ₹920 crore or 40% of the total allocation to PMEGP, without providing any explanation for such reporting.

On the other hand, missing allocations often deflate the amount spent by programmes on women's needs. For example, this year for the first time the entire allocation to the National Rural Livelihoods Mission (NRLM) is reflected in part A of the GBS, indicating that 100% of its outlay is dedicated to women and girls, which is technically correct and should have been done earlier. In 2023-24BE, only 50% of the scheme's total outlay used to be reflected in part B of the GBS. The GBS this year has also correctly reported increased allocations for the Ministry of Electronics & IT. But it missed out reporting pro-women allocations in the schemes for women entrepreneurs such as PM Vishwakarma, SVANidhi, and Stand-Up India.

In another instance, the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), which has the third highest allocation among schemes for women in the GBS, is currently reported under part B with ₹28,888.67 crore which is 33.6% of its total outlay. It is important to note that women constituted 59.3% of all person days under MGNREGA as of December 2023, and should have received commensurate wages from the total MGNREGA budget, yet only 33.6% gets reflected in the GBS.

What next?

These anomalies can be minimised by incorporating explanations for the entries made in the GBS. Incorporating explanations for allocations in GBS would not only ensure accounting accuracy but will help in gender audits and provide pathways for improved gender outcomes in government programmes. Several years of advocating for improved reporting in the GBS by experts is reflected in the inclusion of a third part. The above anomalies in reporting are reflections of the GBS still not having a scientific and systematic approach.

Efforts to reduce misreporting and improve the quality of the GBS is evident, but there is still a long way to go. The need for including rationale is also to maintain that detailed reporting is not a mere exercise in increasing the quantum of allocations reported for women's development — it is to ensure actual spending for women in all government programmes, that are well planned and designed to include women's needs from its inception. Gender responsive budgeting is a powerful tool to close the gender gaps in an economy.