

“Pre-Budget Citizen’s Consultation”

By
Odisha Budget and Accountability Centre (OBAC)

“Budget Declarations & Peoples’ Priorities in Odisha”



23rd December 2011 at CYSD, Bhubaneswar

[Expectations from the Odisha State Budget 2012- 13 is a modest attempt to reflect people’s needs & aspirations on budget in favor of the poor and marginalized of the state]



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Background

Budgets are documents that express state governments' power to act. They summarize policymakers' evaluations of past programs and public agencies and their forecasts of current and future needs and resources. Budgets set goals, decide among alternative objectives, and create means for controlling and accounting for the expenditures of public money. They can create pressures for tax increases or tax cuts. They can push reform or they can discourage it. Therefore by knowing its importance and keeping the forthcoming budget session 2012-13 of Odisha in mind, *CYSD-OBAC* (Odisha Budget and Accountability Centre) had organized a **“Citizen’s Consultation on Budget Declarations & Peoples’ Priorities in Orissa” on 23rd December 2011 at 9.30 am** at DRTC-CYSD Auditorium, Bhubaneswar.

The overall objective of the consultation is to provide civil society and citizenry inputs to the budget process of the state in order to achieve the pro-poor budget. More specifically, the deliberations by the experts and civil society organizations will provide insights towards state’s focus on the human development components. The process also aims at enlisting citizen’s expectation and exploring possibilities to put forward priorities of the marginalized sections in the State budget making process.

Introduction

The welcome and introduction dialogue started at around 10:00am, with introductions from **Sri. P.K Sahoo**, the Chairman of CYSD. He also said that OBAC aims at using a **“Bottom –Up, Top-Bottom Approach”** and engaging consultations at every stage of the process.

Prof. Anup Dash, the member secretary of CYSD, talked shortly about pro-poor budgeting and citizen’s engagement in it and said while making budget we should prioritized on three questions and those are “GDP from what? GDP from whom? & GDP by how?”.



(Opening ceremony of Odisha State Budget, 2012-13)

Presentation on Expectations for State Budget (2012 -13)

Analyses of the budget priorities for the year 2011/2012 reveal profound similarities with those of the previous financial year and the concerns raised in the earlier paper are still valid. For instance, the high cost of running the government reflected in the rising allocation to the Sectors Agriculture, Health and Education.

Mr. Pravas Mishra, the team leader of OBAC said that strategic interventions need to be look after to tackle the challenges in the relevant sectors and also the current resource envelope is not sufficient to take care of those challenges. There has been a consistency in own tax and GSDP ratio over the years, which is around 5-6%. Also the revenue potential of the state has increased in current year from 1% to 1.42%. It is a matter of regret Odisha having huge natural resource, is in debt of Rs.4,900 crore which is highest as compared to previous years.



(A Presentation by Mr. Pravas Mishra)

Therefore he recommended that efforts are needed to strengthen the tax, to enhance the revenue from the mining and to ask for equal royalty for all mineral producing states from the centre. The other key expectations are;

Education

- Need 6% GSDP for elementary education
- Need of Training for teachers and providing of free text books, Notebooks & increase of scholarship amount for the students as well.
- Proper monitoring and inspection of schools is also a vital criteria,
- Optimal utilization of Sarva Siksha Abhiyan Funds should be done

Health

- 3% of GSDP should go for Health & Family Welfare
- Budget needs for rural health facility and maintenance of Health centers
- Appointment of Medical Professional and to introduce bachelors in rural health sectors
- Sufficient budget is also needed for medicine, diet, cloths etc.,
- Last but not the least the priority should be given to public education on health.

Agriculture

- Budget for creating more capital assets
- Small & Marginal farmers to give input subsidy
- Budget for Capital subsidy
- Organic farming to be promoted

Key Note Address – By Finance Minister, Govt. of Odisha

The presence of current Finance Minister of Odisha Govt., Sri. Prafulla Chandra Ghadei is creating more interest from last several years among the listeners to know the current state's financial statement. He appreciated CYSD by saying that "I am impressed that every District is represented and there is a wide range of interest groups right from; students to civil society organizations which was quite important" said the minister.

He thanked OBAC for putting together such a group and for all the efforts they have made to ensure that the concerns of the target group which includes the poor are incorporated in the budget. "We share the interest that the budget should be equitable and aimed at addressing the needs of all groups of people in the nation" he said.

Finance Minister: Need of fiscal discipline is highly needed in the state in all aspect. Though in this year planned budget is Rs.16,400 crore but the budget expectation is nearly Rs.20,000 crore which can be a hurdle in the developmental process.

Government of Odisha has taken certain initiatives like;

- E-governance system for budget to bring more Transparency and Accountability and this will be the 1st attempt in India.
- Cash management system to be periodic; 15% of the fund should be spent in the 1st quarter of the year, more 15% in the 2nd quarter, 30% in the 3rd quarter and rest 40% of the fund need to spent by the last quarter of the financial year.
- Asked for more royalty in mining from the centre.
- Small and medium sector will be prioritized to create employment opportunities.
- Tax collection get will be modernized and will have web-camera system to reduce leakages
- Periphery development by the industries will be done as much as possible.
- PL accounts will be closed.
- District level and block lever treasury will be settled up soon
- Six medical colleges are in the process of opening.

He assured the audience that the OBAC team would capture and forward all the relevant concerns and have them reflected in the budget process.

Technical Session –I

The first technical session was chaired by Shri. Panchana Kanungo, the former Finance Minister, Govt. of Odisha and Prof. Bhagabata Patra, Berhampur University and the Charter of Demand of Nuapada District was presented by Dr. Harendra Panda, Nuapada.

Presentation of District Charter Nuapada

The budget needs to create space for citizen engagement in monitoring of health services and performance through social audit, public hearing and 3rd party monitoring to health services at DHH and peripheral health unit level.

Agriculture

- Special budgetary provision should be made toward the development of agriculture in Nuapada district in the forthcoming budget like settling up Farmer cooperative at gram panchayat level.
- To set up government retail out let/private out let at the village level for timely supply of seeds, fertilizer, pesticides improved agricultural implements which will be suitable for marginal farmers.
- Provision of irrigation through MI points, bore well, dug well, river lift point and water shed program.
- Proper loan facility at the time of cropping with insurance coverage of natural shocks.
- Budgetary provision of the needed to start cold storage facility in this district as cold storage facility is lacking.
- Special storage facilities are needed for onion production as this district gets good harvest in the production of onion in summer.

Education

- Budget for infrastructure facilities at primary school:-
- Availability of infrastructure facilities in school plays positive role to enhance enrollment and quality education.
- To provide quality education to 91,048 students of 384 UGUPs and 592 PS, There is a need of 6,032 classrooms to maintain the norm one class one classroom and 384 common rooms with computers to provide computer education and vocational training to all students, 976 numbers office cum store rooms, 976 nos. of play grounds also required. There is a need of increased budget provision for the said purpose.

Health

- 300 beds for district head quarter hospital, 250 beds for Khariar CHC as per patient load
- 150 beds for other 3 place (Sinapali, Boden and Komana blocks)
- Nos. of Doctors required 46, nos of staff nurse and other service providers needed as per IPHS standard.
- All specialized quality equipment needed, & Medicine production unit.

- Budget for Comprehensive Malaria and Diarrhea Control Programs.
- There is budgetary need for functioning of 13 more MHUs for extensive coverage to Gram Panchayat level with required doctors and specialized staff in all units.
- At least 5 ambulances are needed to meet the emergency medical services in Nuapada district.
- Budget needed for HIV/AIDS infected and affected people
- Establishment of youth resource centre for sharing and learning on SRH and vocational
- Setting up non-traditional FP outlets and VCTC in all health centre
- Massive awareness camping and Regional IEC develop and distribution

Technical Session –II

The second technical session was also chaired by Shri. Panchana Kanungo, and Prof. Bhagabata Patra, and the Charter of Demand of Sundergarh District and Bolangir District were presented by Sri. Janmajoy Patel, Sundergarh and Sri. Sashi Bhusan Purohit, Bolangir respectively.

Presentation of District Charter Bolangir

Agriculture

- Purchase of Agricultural Produces at the Gram Panchayat Level
- Budget for Subsidy of Agricultural Implements
- Budget for Small irrigation Points
- Budget for Investigation of Proposed Irrigation Project through a barrage at Tel River.

Education

- Budget for Infrastructure Development at Primary, Upper Primary and High Schools
- Budget for strengthening teachers training institute and Vocational training institute
- Budget for remedial class at formal school level
- Budget for appointments of Trained Regular Teachers for Primary and Upper Primary Schools
- Budget for strong monitoring of schools by the School Authorities
- Budget for Capacity Building of School Management Committees and their Participation in monitoring to school performance

Health

- Budget to increase numbers of beds, infrastructure and specialized human resource at hospitals
- Budget for Comprehensive Malaria Control Programs

- Budget for extension of coverage of Mobile Health Units
- Budget for Monitoring to Health program
- Budget for free medicines to poor patients
- Fictionalization of Govt. Ayurvedic Pharmacy at Balangir and adequate staff for Ayurvedic college

Women & Child

- Budget for Close and Intensive Monitoring
- Budget for Quarters for the ICDS Supervisors at sector level
- Community Level Training for Pregnant and Nursing Mothers
- Increase Budget for foster care of Orphan Children
- Separate Job Cards for Women under MGNREGS
- Budget for Residential Hostel and Residential Care Centers for the left-behind children of migrant families

Presentation of District Charter Sundergarh

Agriculture

- Irrigation facility to more cultivated land through water harvesting structures (MIP, Check dams, well, pond, lift irrigation point, medium dam etc.)
- All surplus produce of farmers should be purchased at MSP
- Product marketing facilities in every GP
- Traditional water bodies of the villages must protected and strengthened
- Training to maximum number of farmers on appropriate technology, on modern cultivation for sustainable agriculture

Education

- Inclusion of vocational training in school curriculum and appointment of trained vocational teacher
- Provision of electricity in all the school
- Drinking water facility for all the school
- Boundary wall, separate toilets for boys and girls in all the schools
- Filling of all the vacancy for trained teachers and tribal language teachers as per RTE norms

Health

- Provision of Govt. medical store in every panchayat
- Filling of all the vacancies of doctors and other support staff
- Provision of post-mortem in all the health sectors

- There should be a govt. medical college in the district

Women & Child

- Provision of vocational training for skill development to all adolescent girls
- Establishment of Mahila Police stations in all tribal dominated blocks
- According to provision under MGNREGA 33% work should be ensured for women
- Establishment of girl's hostel in every panchayat

Response of Member of the Legislative Assembly

Mr. Pratap Sarangi

He had emphasized on the empowerment of Gram Sabhas and Gram Panchyats where people's participation is needed more and active in the budgetary process then only the budget making process will be a successful one.

He also said to remove the discrimination between leveling the teachers in different category and pay equally to all which will help the teachers to increase their interest and regularity in the classroom. Also to find out the original cost of supplied materials and to fix the rate accordingly for which general people will not have to pay more from their pocket and to increase the subsidy rate for the agricultural farmers.



[Speech by Nilgiri (Balasore) MLA, Sri. Pratap Sarangi]

Sri. Panchanan Kanungo

In his speech he prioritized on Consumer's purchasing power need to look after in the state budgetary process and the proper management of finance is highly essential for the state govt. also to mobilise our own resources is required and to co-link between Inflation and market deviation when preparing the annual budget is essential as well.



[Former Finance Minister Sri. Panchanan Kanungo]

Opening Remarks/ Key concerns raised by the Participants

- New tax system in the state should be created for revenue generation.
- To compensate those who are losing their original livelihood.
- To overcome the maximum leakages in the tax system.
- Budget for food security scheme based on number of beneficiaries in the state should be taken care off.
- Region-wise budget consultation should be held and
- Convergence of both plan and budget is highly essential while preparing the state budget.

Conclusion

- ❖ Budget strategy for the year 2012 -13 aims to address the basic requirements in order to realize Millennium Development Goals
- ❖ Strategic interventions in the relevant sectors will target these challenges but not all outlined challenges can be met with current resource envelope
- ❖ Overall, strategy is grounded in drive to improve efficiency of resource mobilization, allocation and utilization

Way forward

It was decided that participants will hand if any additional input is there within a period of a week. A meeting will then be held with current Finance Minister to convince them about the issues of concern. And immediately after the budget is read, a meeting will be held with the budgeting team after which a post budget dialogue will be held. After this, the monitoring process will begin.

Finally a vote of thanks was then given by Mr. Prakash Kumar Barik, team member, OBAC to all the participants and chaired member and drafted the position paper on behalf of OBAC.

Members Participated:

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Reported by:

Ms. Bijayini Mohanty (Researcher)