

Concerned Citizens' Response to the COVID 19 Relief Package Announced by the Finance Minister **Emergency Measures Proposed and Endorsed by 635 people only Half-Met**

Finance Minister (FM) Nirmala Sitharaman has announced a 1.7 lakh crore package to deal with the economic fallout of the ongoing Covid-19 pandemic. While we welcome that the Union Government is finally addressing this issue, it would have been appropriate to make such an announcement prior to a lockdown so that lakhs of migrant workers would not have panicked and travelled, creating distress and health hazards. The package is wide-ranging in scope but falls short of what is needed to support the poor and to prevent a deepening of the ongoing economic slowdown. Since several states have already announced measures, it is critical that central and state governments work together for smooth operationalisation of relief measures.

635 people, including prominent academics, civil society activists, and policy analysts, sent a letter to the Central and State governments, appealing for a minimal set of emergency measures to deal with the crisis. The appeal focussed on the vulnerable (particularly the unorganised sector, consisting of over 90% of our workforce). From their perspective, FM's relief measures are highly inadequate for even the coming three weeks with some sense of confidence. The FM's announcement of Rs 1.7 lakh crore, is less than half of the 3.75 lakh crores required to fulfil the minimal "emergency measures" suggested in the appeal endorsed by 635 people. The calculation of 3.75 lakh crores only referred to an emergency cash relief of Rs 7,000 per household. The appeal also emphasised that access to any rights and entitlements should not depend on Aadhaar-based biometric systems owing to possible spread of infection through touch. The FM's relief measures also fall short of the measures suggested in the appeal with relation to the ongoing programmes on pensions, rations and programmes for farmers and workers. More specifically:

Ration: The announcement of 5 kg of rice/wheat per person free for next three months and one kg pulse per family is welcome. But there is no mention of vulnerable families excluded from the PDS system. States such as Rajasthan, Jharkhand, Tamil Nadu and Kerala have gone further in assuring food security including delivery of cooked food to the urban poor who are without functional kitchens. To make sure this works, the government must ensure home delivery of rations as well as ensure a minimum of two cooked meals at feeding centres that could include Aanganwadis, government schools, government colleges, community halls, army areas etc. For this to work safely, there must be at least 70 such feeding centres per 1 lakh people, open 12 hours a day. In the current scenario, the government should have made provisions to ensure doorstep delivery of ration to avoid overcrowding at the distribution centres but no such promise was made.

MGNREGA: The FM's announcement of providing an average of 2000 rupees extra per household through MGNREGA is a misnomer. In fact, the wage rate increase, which was announced three days ago, was a regular adjustment against inflation which is made every year. This cannot be called an "additional resource" as the FM mentions and even now the Central government has not adhered to the constitutional provision of minimum wages for MGNREGA. It would be far more effective for each MGNREGA worker to be paid the full notified minimum wage rate for every day of the lockdown at a time when MGNREGA works have been shut to prevent proximity. FM's advisory on social distancing norms for MGNREGA isn't pragmatic as accessing and working in MGNREGA involves several processes with significant physical proximity. Given that a large number of migrant workers have returned to their native villages in light of lockdowns, many more rural residents will need work under MGNREGA over the next year. In such extraordinary circumstances, the number of days of work per rural household should not be limited to 100 days per year. The categories of permissible works should also be expanded to include specific personal and collective kinds of work.

Cash transfer to Pensioners: Support extended to pension beneficiaries of Rs 1000 for three months is also inadequate. This is only an increase of INR 500. Some states are already providing more and have doubled this amount (e.g. Delhi). Also payment should be given in advance for 2-3 months. Rajasthan, Kerala, Madhya Pradesh and Himachal Pradesh have announced the advance payment of pensions for two-three months in one go by the first half of April. Every pension beneficiary must be provided Rs 1000 per month in advance for three months i.e. April, May, June.

Lack of Attention to Pregnant Women and Mothers: While PMMVY (Rs 5000 cash transfer for pregnant women and mothers) is itself a dilution of the entitlements under the National Food Security Act (NFSA), the FM's

announcement had no mention about it. Lakhs of women critically depend on it. Since Aadhaar-based cash withdrawal should not be an option and with perennial overcrowding in rural banks, it's not clear how pregnant women and lactating mothers can get access to even their existing entitlements.

Cash Transfer to Jan Dhan Yojana: Support extended to Jan Dhan Yojana (JDY) account holders of Rs 500 per month for three months is inadequate. Every JDY account holder should be paid at the daily wage rate of notified agricultural minimum wages of states, for 26 days per month, for the next three months. This must be made universal and not as per Government's identification of only "poor households" as suggested in the FM's address.

Cash transfer to Construction Workers: A majority of the construction workers in the country are not registered under the Building and other Construction Workers Board. Restricting the provision of emergency support using the State's BoCW Fund to only registered workers is inadequate. Benefits under the BoCW Board must be extended to each and every construction worker in states, whether or not they are registered under the Board. Every MGNREGA worker who has completed at least 25 days of work under MGNREGA in the FY 2019-20 must be automatically enrolled as a BoCW Registered Worker so that the former can avail of the social security net available to the latter. Further, the Centre should work closely with states to implement this.

PM-KISAN: The first installment of INR 2000 for PM KISAN is to be given to 8.7 crore farmers. But the actual number of PM-Kisan beneficiaries is close to 14 crores. It is not clear why the cash transfer is not implemented for all farmers. In addition a one time payment of Rs 6000 to all tenant farmers, who are excluded from the scope of PM KISAN should be undertaken. Further a one time payment of Rs 6000 to all beneficiaries of the Forest Rights Act.

Assistance from District Mineral Foundation Trust: DMFT is a statutory fund that mandates use of funds to extend relief to mine workers and those communities directly affected by mining. It is unethical to appropriate funds with the DMFT towards meeting health expenses such as screening and testing. The funds should instead be used to pay an immediate cash transfer to all mine workers in a district to the tune of Rs 6000 per month. Expenses related to testing and screening, which are undoubtedly essential and priority expenses to be incurred currently, should be financed through the Rs 15000 crore package that was announced by the Prime Minister for meeting costs of health infrastructure.

Lack of attention on migrant labour: The FM started her speech that the support package will help millions of migrant labourers. However, no measures for migrant workers - who have been hit the hardest -- has been made clear. Many of them have started the journey back to their native villages on foot. The minimum that the Central Government must assure is to ensure safe transportation and passage to all the migrant labour who are attempting to reach their homes after the lockdown.

Moratorium on Loan Repayments: The Government must announce a moratorium on all loan repayments for loans taken from 1st January 2020 to date of Rs 5,00,000 and below.

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