



15th Finance Commission Recommendations: Different Sectors

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Why in News

Recently, the 15th Finance Commission's Report was tabled in the Parliament. The Report included recommendations for different sectors - Health, Defence and Internal Security and Disaster Risk Management, etc.

Key Points

- **Health:**
 - Health spending by States should be **increased to more than 8% of their budget by 2022.**
 - Given the inter-State disparity in the availability of medical doctors, it is essential to constitute an **All India Medical and Health Service** as is envisaged under Section 2A of the **All-India Services Act, 1951.**
 - 15th FC also allocated funds for **overhauling of medical services** at all the levels and **training of the allied healthcare workforce.**
- **Defence and Internal Security:**

The Union Government may constitute in the **Public Account of India**, a dedicated non-lapsable fund, **Modernisation Fund for Defence and Internal Security (MFDIS).**

- **Disaster Risk Management:**

- **Formation of Mitigation Funds** at both the national and State levels, in line with the provisions of the **Disaster Management Act, 2005**.

The Fund should be used for those local level and community-based interventions which reduce risks and promote environment-friendly settlements and livelihood practices.

- **Funding Priority Areas:** 15th FC has also earmarked allocations for certain priority areas, such as :
 - Funds for the **National Disaster Response Force** for expansion and modernisation of fire services and resettlement of displaced people affected by erosion.
 - Funds for **National Disaster Mitigation Fund (NDMF)** for catalytic assistance to twelve most drought-prone states, managing seismic and landslide risks in ten hill States, reducing the risk of urban flooding in seven most populous cities and mitigation measures to prevent erosion.

Source: PIB