



## Proposal to Hike Monthly Pensions

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The Ministry of Rural Development has proposed that the **monthly pensions** of the elderly poor, disabled and widows should be **increased** from the current **₹200 to ₹800 under the National Social Assistance Programme (NSAP)**.

- For those **above the age of 80**, the proposal is to increase the **pension from ₹500 to ₹1,200 per month**.
- This will have an additional annual cost implication of ₹18,000 crore on the Government.
- A study has also been launched to **consider doubling the number of people** covered by the scheme.
- In order to increase the coverage, discussions are also being held with the State governments on a proposal to **merge** the Central and State pension schemes.
- Currently, **Below Poverty Line (BPL) criteria** is used to determine the number of **people covered under NSAP**. However, several States, including Rajasthan, Telangana, Bihar and Uttar Pradesh, have **already shifted to Socio Economic and Caste Census 2011 (SECC-2011) data** for their own pension schemes.

### Background

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In October, 2018 a **panel of National Human Rights Commission (NHRC)** on disability and elderly persons has recommended few measures for the welfare of senior citizens:

- Centre should **increase its contribution** to the pension scheme for elderly persons from **Rs 200 to Rs 2,000 per month**.
- India should adopt the **“time bank”** scheme to take care of senior citizens who are living alone without any support from their family.
- A **nodal police officer** to deal with issues of senior citizens living alone should be appointed at **district level**.
- **Corporate Social Responsibility (CSR)** funds should be utilised for constructing **old age homes**.

### Time Bank Scheme

- Under the 'time bank' scheme, people **save time and volunteer** to take care of the elderly who need help.
- The **number of hours** they spend time with or take care of senior citizens are deposited into their **personal account of social security system**.
- When volunteers themselves get old and needs someone for help, he/she could use the 'time bank' and a volunteer is assigned to take care of him/her.
- **Switzerland** and the **UK** are following the 'time bank' scheme while Singapore is considering implementing it.
- In its **December, 2018 order the SC** had urged the Government of India to **relook at these pension schemes** and overhaul them to bring about **convergence and avoid multiplicity**.
- It ordered the Government of India and the State Governments to make the grant of pension to the elderly more realistic, depending upon the availability of finances and the economic capacity of the Governments.

## National Social Assistance Programme

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- The **National Social Assistance Programme (NSAP)** is a welfare programme being administered by the **Ministry of Rural Development**.
- This programme is being implemented in **rural as well as urban areas**.

## Constitutional Provisions

The National Social Assistance Programme (NSAP) represents a significant step towards the fulfilment of the **Directive Principles in Article 42 and in particular article 41 of the Constitution**.

- **Article 41** of the Constitution of India directs the State to provide public assistance to its citizens in case of unemployment, old age, sickness and disablement and in other cases of undeserved want within the limit of its economic capacity and development.
- **Article 42** provides that the State shall make provision for securing just and humane conditions of work and for maternity relief
- The programme was first launched on **15<sup>th</sup> August 1995 as a Centrally Sponsored Scheme**. It was brought within the umbrella of '**Core of Core**' schemes of the Centrally Sponsored Schemes (CSS) in 2016.
- Currently in 2019, it has **five components namely**:
  - Indira Gandhi National Old Age Pension Scheme (**IGNOAPS**)- since inception of NSAP in **1995**
  - National Family Benefit Scheme (**NFBS**)- **1995**
  - **Annapurna Scheme**- launched in **2000**
  - Indira Gandhi National Widow Pension Scheme (**IGNWPS**)- launched in **2009**
  - **Indira Gandhi National Disability Pension Scheme**- launched in **2009**

- The National Maternity Benefit Scheme (NMBS) was part of NSAP and was subsequently **transferred** from the Ministry of Rural development **to the Ministry of Health and Family Welfare.**

## Central Schemes

- The central schemes are divided into **Central Sector Schemes** and **Centrally Sponsored Schemes (CSS).**
- Central sector schemes:
  - These schemes are **100% funded by the Central government.**
  - Implemented by the **Central Government machinery.**
  - Formulated on **subjects mainly from the Union List.**
  - E.g.: **Bharatnet, Namami Gange-National Ganga Plan, etc.**
- Centrally Sponsored Schemes are the schemes by the centre where there is financial participation by both the centre and states.
  - Centrally Sponsored Schemes (CSS) are again divided into **Core of the Core Schemes, Core Schemes and Optional schemes.**
  - Currently, there are **6 core of the core schemes** while **22 core schemes.**
  - Most of these schemes **prescribes specific financial participation by states.** For example, in the case of MGNREGA, state governments have to incur 25% material expenditure.
  - The **6 core of the core CSS** are:
    - National Social Assistance Programme
    - Mahatma Gandhi National Rural Employment Guarantee Program
    - Umbrella Scheme for Development of Scheduled Castes
    - Umbrella Programme for Development of Scheduled Tribes
    - Umbrella Programme for Development of Minorities
    - Umbrella Programme for Development of Other Vulnerable Groups