



# drishti

## Commitment to Reducing Inequality Index 2020: Oxfam

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### Why in News

Recently, the Labour and Employment Minister has informed the Lok Sabha that **Oxfam Commitment to Reducing Inequality (CRI) Index 2020** lacked clarity and did not take into account provisions of the four new labour codes.

<b>HOW THE SAARC NATIONS FARE</b>				
Country	Public services ranking*	Tax ranking	Labour ranking	Overall ranking
India	141	19	151	 <b>129</b>
Pakistan	148	71	116	 <b>128</b>
Bangladesh	142	32	109	 <b>113</b>
Nepal	120	16	130	 <b>112</b>
Bhutan	124	130	141	 <b>146</b>
Afghanistan	153	6	113	 <b>102</b>
Sri Lanka	106	91	86	 <b>94</b>

\*Health + education + social protection

### Key Points

- **About:**
  - The Index ranked countries **measuring their policies and actions in three areas** that it said are proven to be directly related to reducing inequality:
    - Public services (health, education and social protection)
    - Taxation
    - Workers' rights
  - **Nigeria, Bahrain and India**, which experienced the world's fastest-growing outbreak of **Covid-19**, were among the **world's worst-performing countries in tackling inequality** going into the pandemic.
- **India's Position on the Index:**
  - **Overall, India ranked 129 in the CRI index** out of 158 countries on **government policies, and actions** in areas of public services of education, health, social protection, taxation, and workers' rights.
  - India slipped from rank **141** in the year 2018 **to 151** in the year 2020 with **weak labour rights and high incidence of vulnerable employment**.
    - Highest presence of the informal sector for men was in Uttar Pradesh at 86.9% and for women was in Andhra Pradesh at 73.6%.
  - In terms of its **public services, it ranked 141**.
  - India has been ranked **19** on the **taxation pillar**.
- **Reasons for India's Poor Performance:**
  - **Exploiting Labours in Covid:**
    - Several state governments in India have **used Covid-19 as a pretext to increase daily working hours from 8 to 12 hours** a day and **suspend minimum pay legislation**, devastating the livelihoods of millions of poor workers now battling hunger.
  - **Low Health Budget:**
    - India's **health budget was the fourth lowest** with half of its population having access to most essential health services, and more than 70% of health spending being met by people themselves.
  - **Informal Jobs:**
    - Most workers **earn less than half of the minimum wage**, 71% don't have any written job contract while 54% do not get paid leave.
    - Only around **10% of the workforce in India is formal**.

- **Recommendation:**

In response to the coronavirus pandemic, governments must dramatically improve their efforts on progressive spending, taxation and workers' pay and protection as part of National Inequality Reduction Plans under **Sustainable Development Goal (SDG) 10**.

- **SDG 10:**

- It calls for reducing inequalities in income as well as those based on age, sex, disability, race, ethnicity, origin, religion or economic or other status within a country.
    - It also addresses inequalities among countries, including those related to representation, migration and development assistance.

- **Some Recent Indian Initiatives to Reduce Inequality:**

- Increased allocation for health in **Budget** 2021-22 by **137%**.
  - **Direct Tax Vivad se Vishwas Act, 2020** to provide for resolution of pending tax disputes.
  - **Transparent Taxation - Honoring The Honest'** platform to honour the honest taxpayers of the country.
  - Introduced **Industrial Relations Code, 2020, Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020**.
  - **E-PG Pathshala**: An initiative of the Ministry of Education to provide e-content for studies.
  - **SWAYAM**: it provides for an **integrated platform for online courses**.
  - **National Education Policy (NEP), 2020**.

## **Oxfam International**

- **About:**

- Oxfam International is a group of **independent non-governmental organisations** formed in 1995.
  - The name "Oxfam" comes from the **Oxford Committee for Famine Relief**, founded in Britain in 1942.
    - The group campaigned for food supplies to starving women and children in enemy-occupied Greece during the Second World War.
  - It aims to **maximize efficiency and achieve greater impact to reduce global poverty and injustice**.
  - The Oxfam International **Secretariat is based in Nairobi, Kenya**.

- **Other Reports:**

- The **Global Inequality Crisis Report** by Oxfam in January 2021 claimed that **India's richest 1% hold more than four-times the wealth held by the bottom 70%** of the country's population.
  - The **Inequality Virus Report** in January 2021 also found that the **Covid pandemic** deeply increased the existing inequalities in India and around the world.

Source:TH