CHAPTER IV

COMMITTEES AND BUDGET BUSINESS
DEPARTMENTS OF HEALTH AND EDUCATION

In Chapter III attempt has been made to provide an overall structure and organisation of the committees in Indian Parliament and US Congress. As mentioned earlier, it is the Department related Standing Committees, their functions and jurisdictions, that are to a large extent comparable with that of the standing committees of the USA in respect of their jurisdiction over executive is concerned. Besides the Department related Standing Committees of India, the servicing committees also perform more or less similar functions though without any functional jurisdiction over executive. A brief discussion on the relevance of the servicing committees in both the countries as also the Department related Standing Committees was earlier presented. In Chapter IV and Chapter V attempts will be made to understand the working of one of the Department related Standing Committees of India and the standing Committee(s) in USA having comparable jurisdiction.

In this Chapter, an attempt has been made to discuss the Committee on Human Resource Development (which is one of the Department related Standing Committees) in respect of its jurisdiction on the Demands for Grants of the Departments of Health and Education. Demands for Grants are the proposals for budgetary allocation for expenditure of various Departments/Ministries of the Government of India. Committees on Appropriations in both Houses of U.S. Congress deal with the Appropriations of the Departments of Government of USA, a function similar to the one performed by the Department related Standing Committees. While different Department related Standing
Committees consider the Demands for Grants of the departments under the jurisdiction of the respective committees, only one committee i.e. Committee on Appropriations of each chamber of the U.S. Congress deals with the appropriations of all the Departments of the executive in USA. But, the Committee on Appropriations considers the appropriations in 13 parts and gives 13 reports alongwith Bills. Each report contains appropriations for one or more departments. Accordingly, there are 13 Sub-committees to deal with all the Appropriations, and the names of all the sub-committees have been mentioned in Chapter III. The Department of Health (Ministry of Health and Family Welfare), in India can be considered to be the counterpart of the Department of Health and Human Services in USA and the Department of Education (till 1999) and now the Departments of Elementary Education and Literacy and the Secondary Education and Higher Education in India are entrusted with the similar functions to that of the Department of Education of USA.

One of the reports presented by the Committee on Appropriations is on the appropriations relating to Departments of Labour, Health and Human Services and Education. Committee on Human Resource Development and the Committee on Appropriations will be discussed in respect of their dealing of the budgetary allocations to the Departments of Health and Education. Since Appropriation Bills can be initiated only in the House of Representatives, the House Committee on Appropriations has been chosen for detailed study in comparison with the Indian Committee on Human Resource Development. However, where necessary, attempt will be made to discuss the working of the Senate Committee on Appropriations too.
Attempts will be made to find out the different approaches of the committees in dealing with the budgetary allocations, similarities and differences, both systemic and procedural, and otherwise and the extent to which executive is influenced or executive accountability is ensured. An effort will be made, by examining the reports of the committees in the both the countries.

Consideration of the Demands for Grants is an important function performed by the Department related Standing Committees in general and the Committee on Human Resource Development in particular. The Demands for Grants are presented to the Lok Sabha along with the Budget Statement. Each Department/Ministry has a separate Demand. A few days after the General Budget is presented, the Detailed Demands for Grants pertaining to each Department/Ministry are laid on the Table of Lok Sabha. After the Budget presentation, the Houses are adjourned for a brief period. The committees consider the Demands for Grants of the concerned Ministries/Departments during the recess and present their reports within the stipulated time. The committees consider the Demands for Grants and submit their reports on the allocations proposed in the Demands. Demands for Grants are considered and voted in Lok Sabha only and they are not considered in Rajya Sabha.

During the last 10 years since the inception of the committees(i.e. 1993), the Committee on Human Resource Development has given reports on the Demands for Grants pertaining to the Departments of Health, Family Welfare and Indian Systems of Medicine and Homeopathy, separately which are all under the Ministry of the Health and Family Welfare. The Committee has also given separate reports on the Department of Education (upto 1999-2000) and Departments of Elementary Education and Literacy,
Departments of Secondary Education and Higher Education (since 2000-2001), and the Departments of Women and Child Development which are all under the Ministry of Human Resource Development and the Ministry of Youth Affairs and Sports. In all the Committee examines the Demands for Grants of seven departments which are part of three different ministries and thus presents seven reports to the Parliament.¹

Time Taken to Consider Budgetary Allocations

Rule 331 G of the Lok Sabha Rules provides that the committees (Department related Standing Committees) should consider the Demands for Grants during the adjourned period of the Houses of Parliament and shall make reports within the stipulated period and shall not ask for more time. A scrutiny of the reports of the Committee on Human Resource Development on the Departments of Health and Education, reveal that

¹ During, 2003-2004 the Committee on Human Resource Development has given the following reports on the Demands for Grants:


the reports are generally presented in April after the reassembly of the Houses of Parliament. The following statement shows the dates of presentation of reports during the last five years:

Sources:
(i) 135th Report, n.1(i).
(ii) 138th Report, n.1(iv).
(iii) 139th Report, n.1(v).
The above table shows that the reports were always presented in the last week of April, i.e. immediately after the reassembly of the Houses in the second part of the Budget session as provided under the rules. It means the Committee generally gets around one month to consider the Demands for Grants and report thereon. This period includes considering material received from the concerned Department and hearing oral evidence. Moreover, sub-committees do not deal with the Demands for Grants.

The Committee on Appropriations does what the Department related Standing Committees in India do in regard to the budgetary allocations. As mentioned earlier, Section 300 of the Budget Act gives a non-mandatory timetable for various stages of the Congressional budget process. According to this timetable, the President of the USA submits his budget to Congress on or before first Monday in February. Compared to this, budget presentation in India also takes place in February though on the last working day of the month. Therefore, practically budgets in both the countries are presented in the same month.
As discussed earlier, Demands for Grants stand referred to Department related Standing Committees immediately after the budget is presented, and the committees, thereafter, take up their consideration. The Committee on Appropriations considers the President's budgetary requests in the midst of a complex budgetary process provided in Section 300 of the Budget Act. By February 15, the Congressional Budgetary office submits its annual report to the Budget Committees of both Houses. This report deals primarily with overall economic and fiscal policy and alternative budget levels and national budget priorities. Within six weeks, after President has submitted his budget, the authorising committees (committees having legislative jurisdiction except Budget Committee and Appropriations Committee), submit views and estimates to budget committees. By April 15, Congress completes action on concurrent resolution on the Budget. By June 10, the Committee on Appropriations of the House of Representatives presents report on the last Appropriation Bill. Thus under the law, the Committee on Appropriations has a longer duration to consider the budgetary proposals. But it has taken much longer time to report the Appropriation Bills. The following Table gives a picture of presentation of Reports of the Committee on Appropriations, on the Department of Health & Human Resources and Education (also includes Labour):³

³ Source:
Table 13

<table>
<thead>
<tr>
<th>Appropriation Year</th>
<th>Date of Presentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>9.10.2001</td>
</tr>
<tr>
<td>2001</td>
<td>1.6.2000</td>
</tr>
<tr>
<td>2000</td>
<td>7.10.1999</td>
</tr>
<tr>
<td>1999</td>
<td>20.7.1998</td>
</tr>
</tbody>
</table>

From the above table it may be seen that the Congressional Committee gets sufficient time to finalise its observations and present its report as compared to the Indian Committee on Human Resource Development.

Make allocations or scrutinise allocations - Though the Committee on Appropriations considers the President’s budgetary requests, ultimately the Committee’s report is accompanied by the Appropriation Bill. The sub-committee Chairman generally introduces the Bill after the Committee has completed its process of considering the budgetary allocations. Rep. Ralph Regula⁴, Ohio(R), Chairman of the Sub-Committee on Labour, Health and Human Resources and Education, introduced the Appropriations Bill 2004 on 8.7.2003, and the Appropriations Bill 2002 on 10.9.2001 respectively.⁵ The following Reports of the House Committee on Appropriations, accompanied the Appropriation Bills, pertaining to the Departments of Health & Human Services and Education (also includes Labour):⁶


⁴ Rep. Means Member of House of Representatives and Sen. Means Member of Senate.
⁵ Congressional Records.
⁶ (i) Report 107-229, n.3(i);
(ii) Report 106-645, n.3(ii);
(iii) Report 106-370, n.3(iii);
Table 14

<table>
<thead>
<tr>
<th>Year of Appropriation</th>
<th>Report Number</th>
<th>Accompanying Bill Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>105-205</td>
<td>HR2264</td>
</tr>
<tr>
<td>1999</td>
<td>105-635</td>
<td>HR4274</td>
</tr>
<tr>
<td>2000</td>
<td>106-370</td>
<td>HR3037</td>
</tr>
<tr>
<td>2001</td>
<td>106-645</td>
<td>HR4577</td>
</tr>
<tr>
<td>2002</td>
<td>107-229</td>
<td>HR3061</td>
</tr>
</tbody>
</table>

From the Table given above, it is seen that always the report of the Committee on Appropriations is accompanied by the Appropriation Bill. In fact the Bill can be considered to have originated in the sub-committee of the Committee on Appropriations, because it is the sub-committee which does all the groundwork and finalises the Bill. The sub-committee also takes the testimony, which is the major aspect of considering the budgetary allocations and finalising the appropriations.

This is all in quite contrast to the system, prevalent in India. Though, in both the countries, committees consider the budgetary allocations, certain basic aspects differ, may be because of the systemic differences. The reports of the Committee on Human Resource Development are not accompanied by the Appropriation Bills. The Appropriation Bill is always introduced by the Minister of Finance and it is done after the Demands for Grants are considered and voted in Lok Sabha. The Appropriations Bills never come to the Department related Standing Committees for consideration and scrutiny. The Committee has always given its reports on the Demands for grants. Therefore, it is appropriate to say that the Committee on Appropriations is the pilot of the

(iv) Report 105-635, n.3(iv); and
(v) Report 105-205, n.3(v).
Appropriation Bills in USA, where as, the Department related Standing Committees in India, are the scrutinising bodies of the Demands for Grants.

**Oral Evidence on Budgetary Allocations – A regular feature –** The Department related Standing Committees as well as the Committee on Appropriations hear the oral evidence of the officers of the Departments concerned while considering the allocations for the respective departments. Every Year the Committee on Human Resource Development hears the oral evidence of secretaries of the Department of Health, Department of Elementary Education and Literacy and the Department of Secondary Education and Higher Education. The Committee heard the oral evidence of the secretaries on the dates mentioned below in connection with consideration of Demands for Grants of the respective Departments for 2003-2004.⁷

**Table 15**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Witnesses</th>
<th>Department</th>
<th>Date of Hearing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Secretary and other Officers</td>
<td>Secondary Education and Higher Education (Ministry of Human Resource Development)</td>
<td>25.3.2003</td>
</tr>
<tr>
<td>2</td>
<td>Secretary and other Officers</td>
<td>Health (Ministry of Health and Family Welfare)</td>
<td>26.3.2003</td>
</tr>
<tr>
<td>3</td>
<td>Secretary and other Officers</td>
<td>Elementary Education and Literacy (Ministry of Human Resource Development)</td>
<td>27.3.2003</td>
</tr>
</tbody>
</table>

In USA, immediately upon receipt of the President's budget, the Committee on Appropriations conducts its annual budget overview hearings on the recommendations of

---

⁷ (i) 135th Report, n.1(i); (ii) 138th Report, n.1(iv); and
the President. These hearings will take testimony from the Secretary of the Treasury, the Chairman of the President's Council of Economic Advisers, and the Director of the Office of Management and Budget.

Subcommittee Hearings. The Appropriations Committee has a long tradition of in-depth analysis of the President's pending budget as well as the effective use of previously appropriated resources. For the Financial Year 2000 Appropriation Bill, the Sub Committee on Labour, Health and Human Services and Education held 49 separate hearings covering 26 days. The Sub-Committee took the testimony from the following in respect of the 2004 Appropriations pertaining to the Departments of Education and Health and Human Services.\(^8\)

Table 16

<table>
<thead>
<tr>
<th>Department for which testimony is taken</th>
<th>Witnesses</th>
<th>Date of hearing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>Secretary, Education</td>
<td>6.3.2003</td>
</tr>
<tr>
<td></td>
<td>Officers of Department of Education</td>
<td>12.3.2003</td>
</tr>
<tr>
<td></td>
<td>- do -</td>
<td>19.3.2003</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>Secretary, Health &amp; Human Services</td>
<td>20.3.2003</td>
</tr>
<tr>
<td></td>
<td>Health Resources &amp; Services Administration</td>
<td>26.3.2003</td>
</tr>
<tr>
<td></td>
<td>Substance Abuse and Mental Health Services</td>
<td>26.3.2003</td>
</tr>
<tr>
<td></td>
<td>Centre for Disease Control and Prevention</td>
<td>27.3.2003</td>
</tr>
<tr>
<td></td>
<td>National Institutes of Health</td>
<td>1.4.2003</td>
</tr>
<tr>
<td></td>
<td>- do -</td>
<td>2.4.2003</td>
</tr>
<tr>
<td></td>
<td>Agency for Health Care Research quality</td>
<td>8.4.2003</td>
</tr>
</tbody>
</table>

\(^{8}\) Source: Committee hearings.
In addition to the Secretaries and other Officers of the Departments, the Sub-Committee also heard the evidence of public witnesses on the 7th, 8th, 13th, and 14th May 2003.  

On a comparison of the evidence taken by the Committee on Human Resource Development and the Committee on Appropriations in connection with the budgetary allocations, it is seen that the Committee on Appropriations takes an extensive testimony. Another significant contrast is that the testimony taken by the Committee on Appropriations is available for public consumption whereas the evidence taken by the Committee on Human Resource Development is confidential and not available for public use. Only the names of the witnesses heard by the committee are available in the report on the Demand for Grant of the concerned Department. The names of witnesses mentioned above, heard by the committee on Human Resource Development, are available in the 135th, 138th and 139th reports of the Committee on Human Resource Development.

Overall allocations to the departments

Till now the exteriors of the reports presented by the both the committees, on the budgetary allocations, have been discussed, and hereafter, it will be discussed as to how the committees have dealt the budgetary allocations. For this study, reports of the Committee on Human Resource Development since 1995-96, and that of the Committee on Appropriations, since 1995 have been taken into account. The observations and

---

9 Ibid
10 Though the Committee deals with the Appropriations Bill pertaining to 1995-96, and reports thereon, but the Bill is called Appropriation Bill 1996. The financial Year starts on 1st October.
recommendations made by the committees in the relevant reports shall be discussed extensively. In the process, attempt shall also be made to find out, how the committees have tried to control or influence the executive. Rules pertaining to the Indian Committees provide that the Department related Standing Committees shall not suggest any cut motions to the Demands for Grants and that the reports of the committees shall have persuasive value and shall be treated as considered advice given by the Committee which is a big constraint, for the committees to function effectively.  

The Department related Standing Committee on Human Resource Development has generally taken a liberal stand for increasing allocation to the Department of Health in view of the lack of basic requirements of education and health in the country. The Committee has successively felt that the Department deserves higher allocation. The Committee in its report on the Demands for Grants of the Department of Health for 1995-96 expressed its regret over a meagre allocation and observed:

The Committee is deeply concerned over such a meagre allocation (i.e.0.06 of the total budget) for Health, which forms an important ingredient of human development. The Committee hopes that the Government would make efforts for spending 5% of the GDP on Health sector by the year 2000 AD.

The Committee feels that the allocation for the Department of Health, though shows an increase this year over the previous year, does not appear to be adequate in view of India’s commitment to attain ‘Health for all’ by 2000 AD With the present rate of increase, the Committee apprehends, that Health for All would remain a distant goal. The Committee, therefore, feels that if at all the Government is serious about this, it should try to find out ways and means for providing a suitable share to the Health sector from the GDP every year. 

---

11 Rules of Procedure and Conduct of Business in Lok Sabha, Rules 331 M & 331 N. Hereafter called Lok Sabha Rules
The Committee expressed its concern over the inadequacy of allocation for Health sector while considering the Demands for Grants for 1997-98 also. The Committee was of the view that the overall proportion of the Budget to the Health sector, has not increased since the beginning of the first Plan. The Committee strongly emphasised the need for enhanced allocation to the Department of Health.\textsuperscript{13} Outlay for Health in the Demands for Grants for 1998-99 was increased to Rs.1122.16 crores from Rs.920 crores in the previous year, and the Committee still observed that the Planning Commission and the Ministry of Finance should take a realistic view of the needs of the Department and try to provide more funds to attain the goal of Health for All by 2000 AD.\textsuperscript{14} The Committee has maintained this approach of recommending for higher allocation for the Health Sector every year. In fact, the committee, while considering the Demands for Grants for 2003-2004, has observed that even the ‘priority’ area such as Public Health, has not been spared from the cuts imposed by the planning Commission or the Ministry of Finance as the case may be.\textsuperscript{15} The Committee has further observed that the Health of the people is of extreme importance and that there should be an increase in the budgetary allocation every year, commensurate with the size of the population, and the requirements, in respect of infrastructure, medication, etc. which should provide adequate healthcare to people.\textsuperscript{16}


\textsuperscript{15} 135\textsuperscript{th} Report, n.1(i).

\textsuperscript{16} Ibid
Even though, the committee recommends for higher allocation for the Departments under its jurisdiction, it does not lose sight of the utilisation of the funds allocated in the previous year. The Committee on Human Resource Development, particularly has not taken very lightly about the under-utilisation of the funds. While recommending over-all higher allocation to the Department of Health/Health sector, the Committee has taken note of the aspect of under-utilisation of funds. Examining the Demands for Grants for 1999-2000, the Committee observed that “during the last three years, although allocations made have been less, as compared to the projected requirements, trend of under-utilisation is very much evident.” The Committee strongly felt “that in view of the scale of expenditure during the last three years, the Department of Health, being the nodal agency has to take remedial steps so as to make basic health care within the reach of common man a reality.” The Committee has persistently made this observation. On the Demands for Grants for 2003-2004, the Committee has recommended that the “Department of Health must ensure optimum utilisation of funds on plans and activities for which they are meant.”

In the education sector also the Committee has generally taken a stand of recommending for higher allocation consistent with its general approach. The Committee on Human Resource Development took note of the fact that the literacy rate in the country as per the 1950-51 census was 18% and according to 1990-91 census, this had increased to 52.22%. It was also noted that the Eighth Five Year Plan set the target of achieving 100% literacy among the people of the age group of 15 to 35 years. This involved changing the literacy status of about 100 million people. Against this backdrop,

---

17 86th Report, n.2(xiii).
18 135th Report, n.1 (1).
the Committee while considering the Demands for Grants for 1995-96, observed that the allocation made for the Department of Education for that year came to only 1.57 of the total central budget. The Committee was, therefore, distressed to note that the country, which was having more than 90 crore population (1991) census, out of which 47.8% were illiterate, had made only a meagre portion of the Central Budget for Education. The Committee noted another disturbing factor that whereas the States contribute nearly 91% of the total expenditure on education in the country, the Central government spends just 9%. Similarly, while the States spend about 20% of their budget on education, on an average, the central government spends less than 2%. While welcoming the commitment made by the then Prime Minister about achieving the norm of 6% of GDP as public expenditure on education, the Committee felt that this commitment should not remain a distant dream. The Committee therefore, felt that unless the objective was reflected in budgetary allocations, the target was unlikely to be achieved. The Department’s constant endeavour should be to reach the goal. Towards this end, the Committee suggested that the Department should prepare a projection paper to indicate the phased increase in allocations to achieve the set target. The Committee also noted with concern that 94% of the budget on education was spent on salaries and only 6% was left for teaching, learning, equipment, text books, teacher training, etc. and felt that no sincere efforts had been made in this regard, and that steps were required to be taken to alter the scenario.\textsuperscript{19}

During 1996-97 the Committee took note of the fact that the expenditure, both of the Central Government and the State Governments, if taken together, was to the tune of 3.95% of GDP, and if it was to be raised to the tune of 6% GDP by 2000 AD, suitable

\textsuperscript{19} 22\textsuperscript{nd} Report of the Department related Standing Committee on Human Resource Development on Demands for Grants for 1995-96 of the Department of Education, (Ministry of Human Resource
budgetary provisions in the 9th plan were required to be made.\textsuperscript{20} During 1999-2000, the Committee again took note that the allocation from both central and state sector, taken together, was nowhere near 6%, and was only 4%. The Committee was of the view that greater budgetary support was needed if 6% of GDP for education was to be made a reality.\textsuperscript{21}

While recommending higher allocation, the Committee was also serious about the under-utilisation of the allocated funds and recommended that the Department of Education should take all appropriate steps for maximum utilisation during 1999-2000.\textsuperscript{22}

During the year 2000-2001, to focus on the urgency of universalisation of elementary education, a separate Department of Elementary Education and Literacy was created, bifurcating the erstwhile Department of Education. The Committee on Human Resource Development, accordingly, started giving separate reports on the Department of Elementary Education and Literacy and the Department of Secondary Education and Higher Education. Both the departments shall, however, be dealt together.

By the year 2000, India was supposed to have attained allocation of 6% of GDP for education. While considering the Demands for Grants for 2000-2001, the Committee was given to understand that though the Committee had earlier recommended several times to increase allocation for education to 6% of GDP, yet, that year’s allocation was only 3.4% of GDP which was falling short by 2.6%. The Government's efforts were to gradually increase the level to 6% of GDP. The Committee took a firm view that, when


\textsuperscript{21} 82nd Report, n.2(xiv).

\textsuperscript{22} Ibid
there was a general trend for disinvestment of the public sector and cuts in subsidies, it should be the effort of the Government to prioritise the social sector, especially education and health, which stand as the heart and soul of human development. The Committee, therefore, suggested that the Department should find ways and means for further development and promotion of education.  

The Committee not only recommended for higher allocation, but also took serious view, whenever allocation to a Department was reduced. When the allocation for 2000-2001 for the Department of Secondary Education and Higher Education was reduced at RE stage to Rs. 4380.80 from Rs. 4786.37 crore at BE, the Committee on Human Resource Development took a serious view. The Committee urged the Department to make concerted efforts to remove all the constraints, which led to reduction in the allocation of funds at the RE stage.  

In fact, the Committee, during 2002-2003, went to the extent of saying that there was no reason to support the requirement of more funds for the Department. The following observations give a clear assessment of the Committee on Human Resource Development on the utilisation of funds allocated:

The Committee, therefore, finds no convincing reason to support the requirement of more funds by the Department. The Committee must be satisfied with the Department's potential to make full and proper utilisation of allocated funds. In most of the schemes/projects it has come across that substantial funds are lying with State Governments/NGOs and no UCs are forthcoming from them for years together. The Committee does not know whether these funds have been utilised at all. The Department has to do a serious thinking on this and take necessary remedial measures at the earliest for proper implementation of the schemes.

---

23 (i) 93rd Report, n.2(xi); and  
(ii) 94th Report, n.2(xii).  
24 94th Report, n.2(xii).  
25 120th Report, n.2(vi).
The Committee is of the view that successful implementation of a scheme can be undertaken with the partnership of both the Central Government and State Governments/UTs. If the funds are released by the Centre to the States/UTs and if the same are not utilised/spent by them, utilisation certificates are not furnished, the Centre would have perhaps no option but to withhold further release, resulting in under-utilisation of funds. However, in certain cases, the reason behind non-utilisation of funds by some States/UTs may be genuine, particularly financial crunch. In that case, the Committee feels that the Department will have to give a thought to it and find some way out for such States/UTs.

The Committee also observes that there is no preparatory exercise before any scheme is introduced in the Budget. It is the general practice that budgetary allocation is made for a scheme pending necessary surveys and clearances from various authorities. Sometimes, the entire financial year is over and the scheme is yet not approved. This practice makes the entire budgetary exercise unrealistic leading to under-utilisation of funds. This state of affairs is highly unsatisfactory and betrays total lack of commitment on the part of authorities. The Committee, therefore, reiterates its earlier recommendation given in the 103rd report that all procedural formalities should be completed before including a scheme in the budget and would like to be apprised of the action taken in this behalf.

It would thus be seen that the Committee kept a strict watch on the expenditure and desired more allocation and ensured that allocation and expenditure matched.

The Committee on Appropriations, very often presumes that it is meant to make cut in the budget proposed. It is well explained in the words of Richard F. Fenno, Jr.:

"As an immediate goal, Committee members agree that they must strike a highly critical, aggressive posture toward budget requests, and that they should, on principle, reduce them. In the words of the Committee's veterans: 'There has never been a budget submitted to the Congress that couldn't be cut'. " It is a tradition in the Appropriations Committee to cut.

The philosophy of the Committee followed in each Appropriation Bill is revealed in the accompanying Report. While dealing with the Appropriation Bill, 1996 pertaining

---

26 119th Report, n.2(v).
27 Ibid.
to the Departments of Labour, Health and Human Services and Education and related Agencies, the Committee stated that it "reviewed programs and made clear priority decisions. These decisions were based on the following criteria:

We must pay for what we get from government;
All functions of government must contribute to bringing spending under control;
Programmes that work well, advance national interests or obligations should be funded;
Small, duplicative, administratively costly, categorical programmes serving narrow interests should be terminated;
Poor performing programs should be terminated and those without evaluations should be frozen or reduced." 29

More or less similar philosophy was echoed in the Appropriation Bill for 1997 for the same Departments though slightly with a different language. 30

Committee increases or decreases allocation – Here an important aspect is worth mentioning that what the committees do in India is quite contrary to what the Appropriations Committee does in the USA. As discussed earlier, the Department related Standing Committees have no authority to increase or decrease the allocation. The committees only recommend, whereas, in USA, the Committee on Appropriations increases or decreases the allocation over the budget presented by the President. Though the committees keep in view the budget requests of the President, ultimately they make their own allocations in the Bill and report the Bill to the House. Hereinafter, attempt will be made to discuss how the Committee on Appropriations does all this.

The Committee on Appropriations in its report on the Appropriation Bill, 1996, has stated that the appropriations for that year was dealt, as part of the overall effort of Congress to reduce the size and intrusiveness of government and to reach a balanced budget. In the Bill the Committee proposed $198,192 million for the Department of Health and Human Services which was $2,835 million below the President's request, though the amount was above the level of the earlier year. Similarly, the allocation for the Department of Education was also reduced by $5,157 million from the President's request. In the Appropriation Bill for 1997 the Department of Health and Human Services was provided $218,067 million. Again in 1997, the amount proposed for the Department was below the request made by the executive by $1,396 million. For the year 1997, the Department of Education also got lesser allocation by $4,062 million than the President's request.

Priority - Committee on Appropriations sometimes fixes priority and makes allocations, accordingly. During the year 1998 i.e. the Appropriation Bill, 1998, the Committee increased the allocation for the Department of Health and Human Services though allocation for the Department of Education were reduced. The President in his budget presented the Committee with a funding proposal that did not meet the needs of many of the programs funded in the bill, the Committee added. By saying the following, the Committee increased the allocation for the Department of Health while reducing the same for Departments of Labour and Education:

"If the Committee were to follow the President's direction, Education and Labour programs would have been increased by $4 billion; and total health funding would

31 Report 104-209, n.29.
33 Report 105-205, n.3(v).
have declined by $150 million and income security would increase by just over $1 billion.
At the amounts allocated in the agreement to health programs, unacceptably small increases, or real cuts would have been necessary. At the levels proposed by the President, NIH would have received only a 1.2 percent increase and the Ryan AIDS programme would receive virtually no increase."

The following table gives a clear picture of the Budget requests made by the President for allocation to the Departments of Health and Human Services, and Education and how Committee on Appropriations has dealt with the requests and made its own allocations:

Table 17

<table>
<thead>
<tr>
<th>Department of Health and Human Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation year</td>
</tr>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>1996</td>
</tr>
<tr>
<td>1997</td>
</tr>
<tr>
<td>1998</td>
</tr>
<tr>
<td>1999</td>
</tr>
<tr>
<td>2000</td>
</tr>
<tr>
<td>2001</td>
</tr>
<tr>
<td>2002</td>
</tr>
</tbody>
</table>

Table 18

<table>
<thead>
<tr>
<th>Department of Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation year</td>
</tr>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>1996</td>
</tr>
<tr>
<td>1997</td>
</tr>
<tr>
<td>1998</td>
</tr>
<tr>
<td>1999</td>
</tr>
<tr>
<td>2000</td>
</tr>
<tr>
<td>2001</td>
</tr>
<tr>
<td>2002</td>
</tr>
</tbody>
</table>

34 Ibid
As may be seen from the above tables, during 1998, the Committee allocated for the Department of Health and Human Services above the President’s request and for the Department of Education, the Committee reduced the allocation below the President’s request.  

As in the case of 1998 Appropriations, for the 1999 Appropriations too, the Committee stated that it has increased funding for programs that work for people and which represent a core Federal responsibility. The Committee went on to say that it had attempted to maintain or increase funding for block grants that provide maximum flexibility for local officials and that it had rejected the President’s hastily formulated and thinly justified new program initiatives, favouring instead, to increase funding for existing programs that will more efficiently and effectively address identified needs.  

The Committee provided to the Department of Health below the President’s request and for the Department of Education also the Committee funded below the President’s request.  

Thus the Committee increased the allocation for Health Department above the President’s request in 1998 and reduced for Department of Education and in 1999 Appropriations, the Committee reduced it for both the Departments below President’s request.  

The Committee followed the same principle in Appropriation Bill, 2000 and Appropriation Bill, 2001 by stating increased funding for programs that work for people and represent a core Federal responsibility. According to the Committee, it had rejected

---

36 Report 105-635, n.3(iv).
37 Ibid
38 Ibid
the President's hastily formulated and thinly justified new program initiatives, favouring instead to fund existing programs that would more efficiently and effectively address identified needs. In Appropriation Bills 2000, and 2001, the allocation to the Health Department was again reduced from the President's request, and for the Department of Education too the Committee gave the same treatment.\(^{39}\) Thus for both 2000 and 2001 the Committee tried to reduce allocations to both the Departments of Health and Education. Thus, by reducing allocations and refusing funds to some schemes by rejecting them, which were proposed by the President, the Committee tried to influence and control the functioning of the executive.

The Committee, however, adopted a different approach in its report on the Appropriation Bill for 2002. The Committee had stated that consistent with the fiscal year 2002 budget request, the bill placed high priority on enhancing Federal support for education.\(^{40}\) The Committee went on to say that, the bill embraces reforms, outlined in the budget request for funding Elementary and Secondary Education Act programs. The Committee expressed its commitment to raising the Federal contribution for educating students with special needs, under the Individuals with Disabilities Education Act, and to increasing support for students pursuing a higher education by raising the maximum Pell Grant. In accordance with the Committee's commitments, the bill appropriated above the budget request for both the Departments.\(^{41}\) It is pertinent to mention that from 1993 to 2000 the President belonged to Democratic Party whereas the House of Representatives had Republicans in majority. Republicans continued to be in majority in the House

\(^{39}\) Report 106-645, n.3(ii).

\(^{40}\) Report 107-229, n.3(i).

\(^{41}\) Ibid
thereafter too i.e. 2001 onwards when a Republican President came to office. Such tone has not been found in the report of the Committee on Human Resource Development.

According to the Committee, the funding levels in the fiscal year 2004 Appropriation bill for the Departments of Labour, Health and Human Services, and Education and Related Agencies reflect the Committee's attempt to establish priorities within the very stringent limitations.\textsuperscript{42} The Committee went on to say that as in past years, the Committee increased funding for programs that work for people and represent a core Federal responsibility. The Committee provided $359,449 millions as against the budget request of $353,090 millions, which is $6,359 millions above the budget request for the Department of Health and Human Resources.\textsuperscript{43} For the Department of Education also the funding has been increased to $57,964 millions as against the President's budget request of $55,808 millions, which is $2,156 millions above the request.\textsuperscript{44} Unlike the Committee on Appropriations, the Committee on Human Resource Development, as may be seen above, maintained a balanced approach and recommended for higher allocation. The Committee has generally recommended for increase in allocations, though it commented whenever there was under-utilisation.

**Allocation to individual programmes**

**Health**

*Hospitals and Institutes:*

The Committee on Human Resource Development has generally felt that the allocation to various programmes has to be improved for a better delivery of services


\textsuperscript{43} Ibid

\textsuperscript{44} Ibid
provided in various programmes in both health and education sectors. Now the committees’ dealing of allocations to some individual programmes in both the health and education sectors will be discussed. One of the important areas taken up by the committee on Human Resource Development is Hospitals.

The Committee on Human Resource Development, while considering the Demands for Grants for 1995-96 felt that with (that) level of allocation to the hospitals and dispensaries, it would not be possible to maintain even the existing services, what to think of expanding or improving them. The Committee, therefore, recommended that a realistic assessment of the requirement of all the hospitals and dispensaries be made and suitable amount be provided at the RE level. Two years after this recommendation, the Committee was not happy with the situation and while considering the Demands for Grants for 1997-98, the Committee had to make a very scathing observation. According to the Committee, the Central Government hospitals were suffering from resource crunch, which led to appalling conditions, sub-standard services, overcrowding etc. There were lack of sophisticated and latest equipments, basic amenities and staff in almost all the hospitals. Observing that it was high time the government considered the

---

45 The Government of India funds some hospitals and institutes which are of all India character. These include:
1. All India Institute of Medical Sciences, New Delhi
2. Safdarjung Hospital, New Delhi
3. Dr. Ram Manohar Lohia Hospital, New Delhi
4. Suchetha Kripalani Hospital
5. Kalawathi Saran Children's Hospital
6. National Institute of Mental Health and Neuro Sciences, Bangalore
7. Post Graduate Institute of Medical Education and Research, Chandigarh
8. Jawaharlal Nehru Institute of Medical Education and Research, Pondicherry
9. All India Institute of Speech and Hearing, Mysore
10. Central Institute of Psychiatry, Ranchi
11. North Eastern Indira Gandhi Regional Institute of Health and Medical Sciences, Shillong

46 The Government of India runs a centrally sponsored programme of Central Government Health Scheme for the central government employees.

47 19th Report, n.12.
importance of health sector in order to achieve the goal of "health for All" by 2000 AD, the Committee recommended that sufficient funds should be made available to the health sector.48

While considering the Demands for Grants for 1999-2000, the committee recommended for increased allocation for All India Institute of Medical Sciences.49 The Committee, during 2001-02, noted that there was reduction in the planned allocation and expressed its serious concern over the declining trend in the utilisation of plan allocation for the Safdarjung Hospital.50 For the same year the Committee recommended in respect of Dr. Ram Manohar Lohia Hospital that serious efforts needed to be made for optimum utilisation of allocated funds within the targeted period. Similar recommendation was made in respect of All India Institute of Medical Sciences.51 During 2002-2003 the Committee recommended for enhanced allocation to Central Institute of Psychiatry, Ranchi, so that equipments which were essential to meet the needs of the patients could be procured at the earliest. For the same year, the Committee recommended for additional allocation for the Post Graduate Institute of Medical Education and Research, Chandigarh.52

National Institutes of Health in U.S.A. are to a large extent similar to the central government hospitals and the national health institutes in India. The Committee has always given priority to the National Institutes of Health53 with higher allocation. The

48 60th report, n.13.
49 86th Report, n.2(viii).
50 60th Report, n.13.
51 Ibid.
52 116th Report, n.2(iv).
53 National Institutes of Health (NIH) include 18 research Institutes, the National Centre for Research Resources, the John E.Fogarty International Centre, the National Library of Medicine, the National Centre for Complimentary and Alternative Medicine
following table shows how the Institutes have been provided funds since the Appropriation Bill, 1996:

Table 19

<table>
<thead>
<tr>
<th>Appropriation year</th>
<th>Budget Request $ in Millions</th>
<th>Committee Allocation $ in Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>12376</td>
<td>12747</td>
</tr>
<tr>
<td>1998</td>
<td>13078</td>
<td>13505</td>
</tr>
<tr>
<td>1999</td>
<td>14763</td>
<td>14862</td>
</tr>
<tr>
<td>2000</td>
<td>15932</td>
<td>16964</td>
</tr>
<tr>
<td>2001</td>
<td>18812</td>
<td>18812</td>
</tr>
<tr>
<td>2002</td>
<td>22874</td>
<td>22874</td>
</tr>
</tbody>
</table>

From the allocation indicated in the table above, it would be seen that the Committee has given priority to the National Institutes of Health. Up to 2000 the Committee has given rise above the requested level of the Administration, thus giving priority. In 2001 and 2002 the Committee maintained the same level of the administration’s request, however, maintaining its priority which is revealed in the following observation made by the Committee in 2001:

“The Committee views NIH as one of its very highest priorities and has made difficult resource allocation decisions throughout the bill to provide what it believes is the necessary funding level for NIH. NIH is the world’s leading biomedical research institution; its investments in research save lives and reduce health care costs while creating jobs and economic growth in a global economy. This research has produced major advances in the treatment of cancer, heart disease, diabetes, and mental illness that have helped thousands of American families. NIH research has spawned the biotechnology revolution, whose products are projected to grow into a $50 billion industry by the turn of the century. The U.S.’s ability to translate scientific discoveries into new product development has resulted in its lead over Europe and Japan in pharmaceutical and biotechnology patents. While the Committee is firm in its commitment to budget restraints, it believes that funding of biomedical research is an important investment in the future health and economic well-being of our nation.”
As may be seen from the table above, the Committee maintained the administration’s requested level during 2002 as well. During 2004 also the Committee provided $27,663 millions for the National Institutes of Health (NIH). The total in the bill is the same as the budget request. Accordingly it may be seen that the allocation was not increased in 2001 and thereafter. As could be seen, the Committee on Human Resource Development has also given priority every year and desired higher allocation to the Central Government Hospitals and Institutes.

**Diseases and National programmes**

National Programmes for Diseases are the other aspects, on which the Committee on Human Resource Development dwelt. Malaria is one disease, which has been bothering the country. The Committee has during successive years laid special emphasis on recommending increase in the allocation. During 1995-96 the Committee felt that the Malaria situation in the country had not improved even after the adoption of Modified Plan of operation strategy from 1977. The Committee was of the opinion that the outlay for the National Malaria Eradication Programme,⁵⁴ though increased in 1995-96, was not adequate and recommended for providing more funds.⁵⁵ The Committee thereafter noticed under-utilisation of funds. The Committee has, therefore, not recommended for additional allocation. During 2001-2002 and 2002-2003 the Committee noted that the Ninth plan allocation for the Programme remained grossly under utilised. Therefore, during 2002-2003, the Committee observed that seeing the trend in earlier years, the

---

⁵⁴ National Malaria Eradication Programme is a category II Centrally Sponsored Scheme on 50:50 cost sharing basis between the Centre and State Governments to combat the disease of malaria.
⁵⁵ 19th Report, n.12.
Committee was not inclined to believe the Department’s contention that the balance amount would be utilised during the remaining part of the financial year.56

The Committee on Human Resource Development took very serious note of the diversion of funds from the National Aids Control Programme,57 to other areas and emphasised that remedial measures in this regard should be initiated by the Department. The Committee recommended that the Department should stress upon the States to utilise the funds earmarked for AIDS, on it only and if any diversion takes place, proportionate reduction in central assistance should be affected.58

Even after higher allocation, the Committee recommend for higher allocation in view of the gravity of the situation. In respect of health programmes the Committee made judicious and balanced recommendations in its reports on Demands for Grants. Though, allocation for National TB Control Programme59 was increased from Rs. 35.50 crores in 1993-94 to Rs. 50 crores in 1995-96, the Committee, during 1995-96 recommended for increase in the allocation for the programme in view of the fact that TB increase does not appear to have come down drastically and it remained more or less constant.60 But when it was not fully utilised in that year, the Committee in 1998-99 recommended that effective steps should be taken for full utilisation of allocated funds61 and the Committee has not taken the extreme step of recommending for reduction in the

56 116th Report, n.2(iv).
57 National AIDS Control Programme Phase II is implemented in the entire country through 35 AIDS Control Societies w.e.f. 1999.
59 National T.B. Control Programme is in operation since 1962 and is integrated with the General Health Services Revised National TB Control Programme based on WHO recommended DOT’s Strategy (Directly Observed Treatment Short Course Chemotherapy) was launched in the country in March, 1997 with a soft loan from World Bank.
60 19th Report, n.12.
allocation. In fact the Committee has never resorted to recommending for reduction in allocation for any programme.

Centres for Disease Control and Prevention is a programme in USA similar to the National Programmes on Diseases indicated above. The Committee on Appropriations has provided allocation to the Centres for Disease Control and Prevention\textsuperscript{62} in the following manner:

Table 20

<table>
<thead>
<tr>
<th>Appropriation year</th>
<th>Budget Request $ in Millions</th>
<th>Committee Allocation $ in Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>2222</td>
<td>2124</td>
</tr>
<tr>
<td>1997</td>
<td>2239</td>
<td>2187</td>
</tr>
<tr>
<td>1998</td>
<td>2315</td>
<td>2388</td>
</tr>
<tr>
<td>1999</td>
<td>2497</td>
<td>2591</td>
</tr>
<tr>
<td>2000</td>
<td>2973</td>
<td>2810</td>
</tr>
<tr>
<td>2001</td>
<td>3133</td>
<td>3290</td>
</tr>
<tr>
<td>2002</td>
<td>3696</td>
<td>4077</td>
</tr>
</tbody>
</table>

It would be seen from the table that the Committee has reduced allocation to the CDC as compared to the Budget request during 1996 & 1997. It was increased in 1998 & 1999 and again it was reduced in 2000. Thereafter it has been increased. The Committee has expressed its dissatisfaction over the expenditure in its report on 1999 Appropriation as under:

"The Committee remains extremely concerned about the growth in administrative expenditures at the CDC and the manner in which these expenditures are summarized and reported to the Committee. Previous directives regarding these matters have been disregarded by the agency. Consequently, the Committee has reluctantly decided to display on the table accompanying this report administrative amounts associated with programmatic activities. In addition, the Committee has created a new line item that limits funding for the Office of the Director.

\textsuperscript{62} The Centres for Disease Control and Prevention (CDC) assists State and local health authorities and other health-related organizations to control and reduce disease and other health problems.
Administrative activities encompass all non-extramural activities with the exception of program support services, centrally managed services, buildings and facilities, and the Office of the Director. The Committee intends that designated amounts for administrative activities are ceilings. The agency may allocate administrative funds for extramural program activities according to its judgment.  

The Committee was, therefore, concerned about the administrative expenditure. While commenting on the similar lines for 2000 Appropriations, the Committee also expressed its concern "that the Department has not developed adequate measures of the quality of health care services, the maintenance or improvement in health status and cost, and other administrative measures that are called for by the Government Performance and Results Act (GPRA)." As could be seen, the Committee on Human Resource Development has also not taken very lightly about the proper expenditure of the funds provided.

**Education**

*Elementary Education/HIGHER EDUCATION*

Whenever it was necessary, the committees have felt the necessity of fixing priority. While examining the Demands for Grants for 1995-96, the Committee on Human Resource Development noted that the percentage of expenditure by the Centre on Elementary Education has varied from 18.66% in 1951-52 to 20.76% in 1993-94. There was a downward trend during 60s, and 70s, which has severely affected elementary education. The Committee suggested that priority to elementary education needed to be ensured.  

India being a developing country with more than one billion populations, the committees understood the scarcity of resources and felt the need for alternative sources. The Committee on Human Resource Development understood the scarcity of resources in

---

63 Report 105-635, n.3(iv).
64 22nd Report, n.19.
our country and, therefore, felt that mobilisation of alternative resources in the elementary education sector needed to be further strengthened.65

Under-utilisation of funds has not deterred the committees to recommend additional allocation in the overall interest of the Programme. Though the Committee was critical of the under-utilisation of the funds in the scheme of Strengthening of Teacher Training Institutes66, it also felt that the allocation made for the expansion of the scheme would not be sufficient and needed to be further increased.67 During 1996-97 the Committee recommended for enhancing allocation for the Non-formal Education Scheme68 though in the earlier year the Committee took a serious view of the trend of under-utilisation of funds.

The Committee on Human Resource Development has not taken very lightly over the practice of making allocation to a scheme and not taking up the scheme later. During 1998-99 the Committee noticed that the allocation made for Residential Primary Schools in Rural Areas Scheme, i.e. Rs.25 crores in the BE of 1997-98 was reduced to Rs.1 crore, and it was clarified by the Department that in view of instruction of the Ministry of Finance to defer all new schemes, the scheme was not taken up. The Committee took it very seriously and felt that once the Parliament has approved the allocations, any cut in the allocations of schemes at a subsequent stage by the Ministry of Finance should be

65 Ibid.
66 Teacher training institutes i.e. District Institutes of Education and Training are set up under the centrally sponsored scheme of Restructuring and Reorganisation of Teacher Education to create a viable institutional infrastructure, academic and technical resource base for orientation, training and continuous upgradation of knowledge, competence and pedagogical skills of elementary school teachers in the country.
67 22nd Report, n.19.
68 46th Report, n.20.
brought to the notice of Parliament.\textsuperscript{69} Sarva Siksha Abhiyan\textsuperscript{70} was also a classic scheme under the elementary education which was proposed, and allocation made therefor, in the BE of every year since 1997-98, and ultimately the scheme did not take off every year upto 2000. In this background, the Committee, considering the Demands for Grants for 2001-2002, took it very seriously and observed that the Department should ensure that all the preparatory activities are completed at the earliest leading to launching of the scheme already over delayed. The Committee was also of the view that budgetary allocation for a scheme should be made only when the scheme has been finally approved.\textsuperscript{71}

When schemes are launched without making sufficient preparatory work, and allocation was also made resulting in non-taking off of the scheme, the Committee has taken a critical view. In the Janshala programme, which is a collaborative effort of the Government of India and five UN agencies, the committee noticed that the allocation of Rs.15 crores was not spent at all and again Rs.10 crores was allocated for 2001-2002. The Department informed that since the issue relating to routing of UNDP funds through the Department still stands unresolved, the programme was being funded by UN agencies directly. On this the Committee observed that the procedural issues should have been handled prior to launching of the scheme, so that it could be implemented effectively.\textsuperscript{72}


\textsuperscript{70} The Sarva Siksha Abhiyan is a new scheme the goals of which are: 1. All 6-14 age children in school/EGS centre/bridge course by 2003; 2. All 6-14 age children complete five year primary education by 2007; 3. All 6-14 age children complete eight years of schooling by 2010; 4. Focus on elementary education of satisfactory quality with emphasis on education for life; 5. Bridge all gender and social category gaps at primary stage by 2007 and at elementary education level by 2010; and 6. Universal retention by 2010. All existing schemes would get subsumed in the tenth plan.

\textsuperscript{71} 103\textsuperscript{rd} Report, n.2(viii).

\textsuperscript{72} Ibid.
The Committee on Appropriations, keeping in view the overall budgetary constraints for 1996, reduced allocation for education from the Budget request. Most of the education programs also had to take the brunt. This is evident from the allocation made to the Education for the Disadvantaged and School Improvement Programmes lesser by $1,445 million and $235 million from the President's request. As regards 1997 is concerned, the Committee again reduced allocation to the Education Department from the President's Budget, and most of the education programmes faced similar fate.

As a matter of fact the Committee reduced allocation to the Department of Education in all the Appropriations of 1998, 1999, 2000, 2001, and accordingly the Committee tried to adjust the limited amount for all the programmes increasing for some and reducing for others. In Appropriations 2000, the Committee on Appropriations has increased allocations to 4 programmes and reduced for 6 programmes out of 10 major programmes.

The Committee, in 1999 provided no funding for Teacher training in technology programme. The Committee had stated that it was "unwilling to recommend increased funding for the fragmented, overlapping and duplicative teacher training programs which currently exists. In addition, the Administration in its request has offered no specific, measurable output measures, including student academic achievement measures, for this program. This requirement is consistent with the intent of the Government Performance and Results Act. The administration's request also provided no financial information,

---

73 Under the Education for the Disadvantaged programme, grants are provided to local education agencies under title I of the Elementary and Secondary Education Act.
74 This programme includes improving teacher quality and other aspects of improving school environment such as drug free schools, innovative education etc.
75 (i) Report 104-209, n.29; and
including cash flow information indicating the level of obligated funds that will be actually spent by the grantees in the first and subsequent years of the program. Since overall technology funding is being spent very slowly by grantees, such data on projected cash flow is particularly important."  

The Committee refused funding this programme during 2000 also, maintaining that given the limited Federal discretionary budget, the Committee had chosen to focus its resources on higher priority programs in the Bill.

On a comparison of the dealing of elementary education by both the committees, it would be seen that the Committee on Human Resource Development is more critical over the implementation and non-taking off of the programmes. However, the Committee on Appropriations has taken some-what negative stand, reducing allocation to many programmes and refusing to some. Intention of both committees is however, proper implementation of the programmes and better utilisation of the funds allocated.

The Committee on Human Resource Development has given significant position to the University and Higher education programme. In view of the resource constraints in the country, the Committee laid emphasis on developing ways and means to make higher education self reliant as far as possible. The Committee desired that universities and colleges should find ways of generating funds through financing of research projects by industry and opening of more vocational courses. It, however, agreed that higher education cannot be totally self reliant but any effort made in the direction of raising resources by mobilising donations, etc., would not only reduce the burden on the resources of the States but also create a greater sense of responsibility with in the educational system. The Committee was, however, not complacent with remarking on the necessity of

---

76 Report 105-635, n.3(iv).
77 Report 106-370, n.3(iii).
finding out alternative sources but also recommended that Government must continue to assist institutions of higher education adequately so that they fulfil their primary purpose i.e. generation and dissemination of knowledge.\(^78\) The Committee thus, though in favour of generating alternative resources, was against any exploitation. It therefore, felt that private investors should be firmly discouraged from running educational institutions with a purely profit motive and went on to suggest that University Grants Commission (UGC)\(^79\) should evolve norms for regulating fee structure.\(^80\) The Committee has taken a serious view on reducing allocation as against the proposed outlay. Generally allocations are made in the Demands for Grants on the basis of the requests made by the respective agencies. The UGC proposed for Rs.829.14 crores under Plan and Rs.644.23 crores under Non-Plan in 1997-98, which were reduced to Rs.359.10 crores for Plan and Rs.450 crores for Non-plan. The Committee took serious view of the fact that in the event of requirements not being met fully, core programmes of UGC, like Sciences, Engineering and Technology, would incur deterioration and degradation. The Committee therefore, recommended that the UGCs proposed outlay should be fully met.\(^81\) When the allocation was further cut in 1999-2000, in both plan and non-plan, against the proposed outlay of the UGC, the Committee was constrained to note that many activities would be worst hit and recommended that the request of UGC should be fully met.\(^82\)

The general trend in most of the government organisations is to spend the balance amount remaining at the fag end of the financial year, in February and March. The

\(^{78}\) 22nd Report n.19.
\(^{79}\) University Grants Commission is an apex body funding and regulating higher education.
\(^{80}\) 22nd Report n.19.
\(^{82}\) 82nd Report, n.2(xiv).
committee has not taken very lightly about the trend of spending most of the fund towards the fag end of the financial year. The Committee on Human Resource Development has taken a serious view of the spending spree by UGC at the fag end of the year. Considering the Demands for Grants for 2003-2004, the Committee observed that UGC has developed a tendency to utilise the funds at the fag end of the year. During 2001-2002, UGC could utilise only 72.84% of its allocated plan funds till 13\textsuperscript{th} March 2002, but it reported full utilisation of entire allocation made to it viz. Rs. 439.78 crore for the year 2001-2002 by 31\textsuperscript{st} March, 2002. The Committee felt that such a trend reveals poor planning and inadequate monitoring of the funds allocated to UGC. The Committee felt that such last minute spending defeats the very objective of planned development. The Committee, therefore, observed that there should be adequate planning and monitoring to ensure the steady out flow of funds throughout the year.\textsuperscript{83}

It may thus be seen that the Committee on Human Resource Development has given a special place to the higher education, keeping in view the requirement of the higher education in the country. The Committee’s recommendation that the government should meet the full requirement of the proposed outlay of UGC shows the priority and importance given to this area. As compared to this, the Committee on Appropriations has taken a totally different attitude. The Committee has made allocation to the programme of Higher Education as under:

\textbf{Table 21}

<table>
<thead>
<tr>
<th>Appropriation year</th>
<th>Budget Request $ in Millions</th>
<th>Committee Allocation $ in Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>820</td>
<td>757</td>
</tr>
<tr>
<td>1997</td>
<td>972</td>
<td>829</td>
</tr>
</tbody>
</table>

\textsuperscript{83} 139\textsuperscript{th} Report, n.1(v).
It would be seen from the above table that the Committee has tried to reduce allocation from the requested level in all the years from 1996 to 2001. However, for 2002, the Committee increased from the requested level by 183 millions. Again for 2004 the Committee provided $1,985 millions for higher education programs, $81 millions above the budget request. The Committee on Human Resource Development always gave priority to higher education and recommended for higher allocation throughout.

Some times, though the Committee provides funds, but reasons the necessity. In the Appropriations 1998, the Committee on Appropriations provided fund for Goals 2000 Programme, though lesser as compared to budget request. But the Committee observed that it continued to believe that in the very tight budgetary environment, the justification for funding that duplicative programme remains weak.\textsuperscript{84} In the same appropriations, the Committee while providing funds for Technology Literacy Challenge Fund observed that it was concerned by the rapid increase in funding in this program in addition to other funding provided.\textsuperscript{85}

The Committee after providing fund often gives direction as to how it should be spent. Providing fund for the same programme and in the same Appropriations mentioned above, the Committee observed:

\begin{minipage}{\textwidth}
\begin{tabular}{|c|c|c|}
\hline
Year & Requested & Allocation \\
\hline
1998 & 903 & 909 \\
1999 & 1288 & 944 \\
2000 & 1579 & 1151 \\
2001 & 1795 & 1688 \\
2002 & 1723 & 1906 \\
\hline
\end{tabular}
\end{minipage}

The Committee urges the Secretary, when awarding educational technology grants, to give consideration to school districts around the country that exemplify: (1) high concentrations of at-risk youth; (2) empowerment zones and enhanced

\textsuperscript{84} Report 105-205, n.3(v).

\textsuperscript{85} Ibid
enterprise communities; and (3) significant investment to establish infrastructure with aggressive plans to utilise educational technology. The Houston Independent School District in Houston, Texas is an example of such a school that has made a substantial effort in this area.86

The Committee on Appropriations, sometimes rejects the proposals of the Administration. In the Appropriations for 2000, the Committee did not recommend funding for Technology Leadership Activities. The Committee felt that:

“Although the Administration states in the budget justification for this program that the activities funded under this program are coordinated with other agencies and programs such as the E-rate, the Department of Commerce’s Telecommunications and information Infrastructure Programme and the National Science Foundation, the Department has not provided specific strategies for coordinating with these other agencies. The Committee expects the Department to coordinate with other agencies as part of its day-to-day operations. Therefore, given the limited Federal discretionary budget, the Committee has chosen to focus its resources on higher priority programs in this bill and notes that the Department has the ability to carry out technology leadership activities through regular program administration funds.”87

Similarly, the President’s proposed termination of the Education Block Grant (Title VI) was rejected, and the programme was funded in the fiscal year 2001 at $385 million.88

Similarly, the Local Law Enforcement Block Grant, which was also proposed for elimination, was funded at $523 million in both fiscal year 2000 and fiscal year 2001.89

Even though, Appropriations Bills are not initiated in Senate, but the Senate Committee on Appropriations do consider the Appropriations. Senate has the power to make amendments to the appropriations made by the House. In pursuance of this, the

86 Ibid
87 Report 106-1039 n3, (iii).
89 Ibid
Senate Committee on Appropriations makes its own allocations to various programmes, and the Senate finally incorporates necessary changes in the House Bill.

Committees' recommendations and final allocations

It is not necessary that the allocations made by the committees are agreed to by the respective Houses, and even if they agree, there may be difference between the two Chambers. While dealing with the Appropriations Bill, 2001, the Senate Committee on Appropriations made allocation of $762,036,000 for AIDS prevention programs where as the Committee on Appropriations of the House of Representatives made an allocation of $734,403,000 for the programme. Ultimately $673,367,000 was proposed by the House of Representatives and 640,000,000 was proposed by the Senate. There was no agreement between either the two committees or the two Chambers. For solving the disagreement, a conference was held and the Conference report was presented to the House of Representatives on 15 December, 2000 which states that:

"The conference agreement includes $767,246,000 for HIV/AIDS instead of $673,367,000 as proposed by the House and $640,000,000 as proposed by the Senate."91

Similarly, during 2000, the House Committee on Appropriations provided $1,151 millions for Higher Education and the House of Representatives also agreed with this amount. The final amount provided by the Congress was $1,533 million which was finalised in the conference as under:

---
(ii)Report 106-645, n.3(ii).
91 Conference Report on H.R. 4577, Departments of Labour, Health and Human Services, and Education and related Agencies Appropriations Act, 2001
The conference agreement provides $1,533,659,000 for Higher Education instead of $1,151,786,000 as proposed by the House and $1,406,631,000 as proposed by the Senate.\(^{92}\)

Therefore, the allocations of the Committee are not final as the committees suggestions, and the allocations, have to be acceded to by the parent Chamber and ultimately by the both Chambers. For the Appropriation Bill 2001, the House Appropriations Committee allocated $257696 millions, for the Department of Health and Human Resources against the Budget request of $258864 millions, and ultimately the final allocation made by the Congress was $266255 millions. For the same year the Committee provided $39,590 millions against the budget request of $42,494 millions for the Department of Education. Ultimately the Congress provided $42237 millions.\(^{93}\) For Appropriations 2002, the Committee allocated $4,077 millions for the Centres for Disease Control and Prevention and the final allocation made by the Congress was $4,293 millions. However in some of the programmes, the recommendations of the Committee are finally acceded to. For the year 2000 Appropriations, as indicated in the above Conference report, the Committee's recommendation was agreed by the House of Representatives whereas the final amount agreed was above this amount. But the recommendation of the Committee of providing $1688 was finally agreed by the Congress which was less than the budget request level.

For Vocational and Adult Education Programme, the Committee on Appropriations provided $1,582 millions which was agreed to by the House of Representatives. But the conference agreement provided finally $1,681 millions.

\(^{93}\) Report 106-645, n.3(ii).
Therefore, the Committee’s recommendations are not final and the Congress has a final say in the allocations to be ultimately made. But the committees have the authority to alter the allocations requested for by the executive for various Departments and make their own allocations. As has been seen, the Committee’s recommendations are accepted by the House in many cases and in the final allocation, they are carried through. But as they are not the final say in the process, the Congress takes the final decision.

This is in quite contrast to the situation obtaining in India, though ultimately committees have no final say. In India the committee can only make recommendations, and the Committee does not make its allocations. It can only recommend for increasing or decreasing the allocation. But under the Rules, the Committee’s views are to be taken into consideration while Demands for Grants are voted in the Lok Sabha. The recommendations for increase or decrease of the allocations are not changed or altered. Those recommendations are to be acted upon by the Executive.

Review

The Department related Standing Committees, in India and the Committees on Appropriations while examining the budgetary allocations, (scrutiny in India and allocation making in USA), review the working of various programmes and the Departments, and make observations and recommendations in the Reports. This is an important tool used by the committees to effectively supervise, oversee, and review the executive and make necessary observations/suggestions/recommendations for better implementation of the programmes. For review, the committees rely on the material received from the Ministries/Departments and the hearings. This is done on a regular basis annually as part of the process of scrutiny of budgetary allocations. In fact the
Committee on Appropriations has an elaborate oversight plan under which initially Budget Overview Hearings are held. Then the respective Sub-committees hear the officers concerned. Various Investigations are also held in addition to formal oversight. One of the investigation report received by the Committee is “Medicare Home Health Care: Prospective Payment System Will Need Refinement as Data Become Available(HEHS-00-9)”

Finding out the drawbacks and failures in the functioning of the programmes is an essential feature of review of programmes while considering the budgetary allocations. While dealing with Demands for Grants, the Committee on Human Resource Development has tried to evaluate the working of the Hospitals. In 1995-96, the Committee felt that mismanagement of both men and materials was the major cause for all the ills bedevilling the hospitals and dispensaries. During the same year, the Committee also observed that much was to be desired in the functioning of the prestigious medical institutions under Central Government control, like AIIMS, Safdarjung Hospital, Lady Harding Hospital and PGIMER. The Committee felt it highly deplorable that frequent strikes and work stoppages, both by doctors, para-medical staff and other were the order of the day and indifferent management and indiscipline aggravate the problem.

Drop out rates was always a major concern for the Committee on Human Resource Development. The Committee noted that the reasons for increased incidence of dropouts were reported to be non-availability of schooling facilities, quality of education, participation in household economic activities, poverty, not interested in further studies.

95 19th Report, n.12.
and failures etc. The Committee was not satisfied with the progress made in reducing the incidence of dropouts and recommended for greater involvement of Panchayati Raj institutions in supervision of primary education in rural areas and constant monitoring of implementation of various schemes by the government.96

The Committee was so dissatisfied with the implementation of some schemes, that it had observed that the Non-Formal Education Programme and the Adult Education Programme have totally failed in the objectives and there was no point in further continuance. The Committee also considered the Non-Formal Education Programme as a wasteful expenditure.97

The Committee on Appropriations of the House of Representatives also made observations on the weaknesses of the programmes while making allocations. The Committee, in its report on Appropriation Bill, 2002, expressed its concern that there was an insufficient number of health care providers trained to address the health care needs of the growing older population. The Committee also observed that with only a small number of new physicians going into the field and those already in the field approaching the retirement age, incentives are needed to increase the number of academic geriatricians to competently train health professionals from a variety of disciplines including geriatric medicine. The Committee, therefore, recommended that to meet the needs of an ageing population, Health Resources and Services Administration (HRSA) needs to improve the training of all health professionals in geriatrics.98

The Committee in the same report made a critical remark on the Department in

96 46th Report, n.20.
97 103rd Report, n.2(viii).
98 Report 107-229, n.3(i).
regard to the working of the Department of Education. The observation was made in regard to providing grants under GEAR UP\textsuperscript{99} programme. The Committee objected to providing all five years of funding in the first year of the award, rather than the traditional practice of providing funding one year at a time over a five-year period subject to the availability of appropriations.\textsuperscript{100}

Dealing with the Appropriations for 2000, the Committee on Appropriations of the House of Representatives, remarked that it remained concerned that after two years of Committee interest and six years since the passage of GPRA, the Department has not identified specific, measurable standards consistent with the requirements of the Government Performance and Results Act for activities funded under the Safe and Drug Free Schools and Communities Act national programs. The Committee made this remark in respect of several programmes pertaining to the Department of Education in the same report.\textsuperscript{101}

The Committee also rejected a proposal of the President when the Committee found that it was not in consistent with the Federal policy. When the executive (President) made a proposal to amend the authorising statute to reduce the number of

\textsuperscript{99} GEAR UP provides grants to states and partnerships of low-income middle and high schools, institutions of higher education and community organisations to target entire grades of students and give them the skills and encouragement to successfully pursue post secondary education

\textsuperscript{100} Report 107-229 n3, (i) The entire observation reads as under:

"The Committee is aware that the Department, in administering the fiscal year 2001 funding for the GEAR UP programme, decided to fund new GEAR UP projects by providing all five years of funding in the first year of the award, rather than the traditional practice of providing funding one year at a time over a five-year period subject to the availability of appropriations. This decision resulted in a funding a small number of new grantees. The committee is concerned that it was not consulted in advance of this decision, given that the Department's actions represent a departure from the proposed allocation of fiscal year 2001 funds indicated in the Department’s budget justifications. It is the committee’s intent that, in administering GEAR UP funding in fiscal year 2002, the Department provide continuation grants to the fiscal year 1999 and 2000 grantees at the levels contemplated in their initial grant awards. Further, the Committee strongly urges the Secretary to provide funding to new grantees for the first year of five-year grant periods, with subsequent year funding to be provided subject to the availability of appropriations."

\textsuperscript{101} Report 106-370 n3, (iii)
school districts receiving payments and the number of children on behalf of whom payments are made under the Impact Aid\textsuperscript{102} programme, the Committee rejected the proposals successively from 1997 up to Appropriation Bill 2001. The Committee reasoned that the President proposed to substantially increase funding for general Federal assistance to school districts, at the same time proposed to dramatically reduce impact aid payments which represent an obligation of the Federal government to mitigate the adverse effects of its activities on local school districts.\textsuperscript{103} But the Committee abandoned this approach in its report on Appropriations Bill, 2002. This Report was presented in 2001.\textsuperscript{104}

During 1997-98 the Committee on Human Resource Development observed in respect of All India Institute of Medical Sciences that the Institute was set up for promoting high standards of medical education and training and also for providing comprehensive medical care to the people. These were originally thought of being only as referral hospital where patients would be referred from other hospitals for specialised treatment of a higher order. The Committee further felt that due to overcrowding and lack of medical facilities in and around Delhi at various levels, it has lost referral character and become just like any other hospital working at the District level. Expressing its deep concern about the deteriorating standards of research and patient

\textsuperscript{102} Impact Aid represents a federal responsibility to local schools educating children whose families are connected with the military or who live on Indian land.

\textsuperscript{103} (i) Report 104-659, n.30;
(ii) Report 105-205, n.3(v);
(iii) Report 105-635, n.3(iv); and
(iv) Report 106-370, n.3(iii).

\textsuperscript{104} Report 107-229, n.3(i).
care, the Committee expressed the view that there must be a clear objective to make it purely referral hospital by a fixed date.\textsuperscript{105}

The Committee on Human Resource Development suggested for improving monitoring mechanism. During 1997-98 the Committee expressed its concern over the rising number of cases of Falciparum Malaria which was resistant to the conventional anti-malarial drugs. The Committee also felt that there was no proper monitoring of the implementation of the programme. The Committee recommended that monitoring should be done for timely spraying of insecticides at regular intervals and a way out should be found out to remove the hurdles that were coming in the implementation of this programme both by the Centre and the States.\textsuperscript{106} This recommendation was reiterated in some way or the other by the Committee every year. But the constraints in the implementation of the programme persisted and the Committee had to recommend during 2001-2002 that the constraints were being faced for a number of years and therefore, the Department should vigorously pursue this aspect with the concerned State Governments so as to improve the achievement level of various physical targets of the Programme.\textsuperscript{107}

The committee recommended when the results are not appreciable. The progress in universalisation of elementary education during 8\textsuperscript{th} plan was not significant. The decline in the drop out rate was from 42\% in 1991-92 (First year of 8\textsuperscript{th} Plan) to 39\% in 1996-97 (terminal year of the Plan) showing only 3\% decrease at the primary level. The Committee on Human Resource Development noted that, although, for increasing the retention rate at primary and upper primary level there were a number of interventions

\textsuperscript{105} 60\textsuperscript{th} Report n13
\textsuperscript{106} Ibid.
\textsuperscript{107} 100\textsuperscript{th} Report, n.2(vii).
through a variety of schemes in which active participation of both state governments and
NGOs was evident with funding provided by the government and also foreign agencies,
drop-out rates did not show an appreciable declining trend. The Committee was of the
view that concerted efforts in a mission mode by all the implementing agencies were
required to be made without any delay, failing which targets set out for 9th Plan would
remain on paper only.\textsuperscript{108} Even after the completion of 9th Plan, the Committee was
cconcerned about the drop-outs and felt that the goal of universal retention by 2010 should
be given special emphasis. In fact, the Committee believed that universal retention was
only possible if the students and their parents/guardians believe that the education that
was being imparted would help the students lead a self-sufficient life.\textsuperscript{109}

The Committee also recommended for systemic improvement. Evaluating the
schemes under University and Higher Education, while dealing with the Demands for
Grants, the Committee expressed its deep concern over the fact that education,
particularly in the higher educational system was not student oriented in nature. The
Committee strongly felt that a shift in the orientation was urgently required to improve
the quality and standard of education amongst the students.\textsuperscript{110}

The Committee felt that there was a need to make university and higher education
system more need based and responsive to the requirements of students so that more
students can avail of these opportunities. It was also suggested that UGC should
courage genuine research activity and develop a mechanism for encouragement of only

\textsuperscript{108} 82nd Report, n.2(xiv).
\textsuperscript{109} 139th Report, n.1(v).
\textsuperscript{110} 46th Report, n.20.
157

...genuine research so that nation can make use of such research both commercially and academically.\textsuperscript{111}

Similarly whenever the House Committee on Appropriations of USA found the need for improvement, it had recommended for it. The Committee in respect of education technology programmes admitted that some work was done by the Department but felt that more work remains in specifying goals and baseline date for this programme.\textsuperscript{112}

When the Committee on Appropriations felt that HIV prevention should be integrated with other services, including STD and TB screening and treatment, reproductive health, mental health and drug use prevention and treatment, it urged CDC to give its HIV strategic plan high priority, especially with regard to behavioural research, development, implementation and evaluation of prevention and intervention programs for at-risk sub-populations such as racial and ethnic minorities, adolescents, women, sex workers, substance abusers and incarcerated individuals.\textsuperscript{113}

Examining the Demands for Grants for 1998-99, the Committee on Human Resource Development observed that there was a persistent demand for setting up a Trauma Centre at the AIIMS and recommended that the Department should approach the Planning Commission and convince about the need for setting up of such centre and to

\textsuperscript{111} 139\textsuperscript{th} Report, n.1(v).
\textsuperscript{112} Report 106-370, n.3(iii). The actual observation of the Committee is as under: “The Committee believes that, while the Department has made some progress toward developing measurable student achievement standards consistent with the requirements of the Government Performance and results Act for the technology literacy challenge fund, more work remains in specifying goals and baseline data for this program. For example, the Department should develop data on the percentage of students who are currently computer-proficient and how that figure will increase as a result of proposed funding increases.”
\textsuperscript{113} Report 107-229, n.3, (i).
allot the requisite funds.\textsuperscript{114} As there was not much progress on this issue, the Committee, during the course of examining Demands for Grants for 1999-2000, felt that as the number of accidents were on the rise and the facilities available at the Institute were not meeting the requirements, procrastinating on this issue would cost valuable human lives, and, therefore, desired an early decision on establishing a Trauma Centre.\textsuperscript{115} Next year, the Committee was worried to note that despite its earlier recommendation, no progress seemed to have been made in respect of setting up a Trauma Centre and accordingly recommended that the Department should make concerted efforts for completion of all the procedural formalities prior to setting up the Trauma Centre. It was also remarked that it should be ensured that allocation made for the purpose should not be left under utilised in 2000-2001 like the previous year.\textsuperscript{116} As the Trauma centre was not set up upto 2001, the Committee in its report on the Demands for Grants for 2001-2002 expressed its concern that despite its earlier observations, the project for setting up a Trauma Centre at AIIMS was still at the proposal stage and made a strong recommendation for vigorously pursuing the matter.\textsuperscript{117} Ultimately during 2002-2003, the Committee, after being informed that the proposal for setting up of an Apex Centre for Trauma Care at AIIMS has been approved and the construction work already started and was to be completed by January, 2003, felt happy to note that the work of establishing Trauma Centre at AIIMS had finally begun and hoped that it would be completed by the target date.\textsuperscript{118}

On the implementation of the AIDS control Programme, during 1995-96, the

\textsuperscript{114} 69th Report, n.14.
\textsuperscript{115} 86th Report, n.2(xiii).
\textsuperscript{116} 89th Report, n.2(x).
\textsuperscript{117} 100th Report, n.2(vii).
\textsuperscript{118} 116th Report, n.2(iv).
Committee was happy to note that blood bank services were being improved. The Committee, however, emphasised the urgent need for improving blood transfusion services and making foolproof so that no HIV-infected blood was given to anyone as more and more such cases were being reported.  

As regards the Committee on Appropriations of House of Representatives is concerned, it is pertinent to mention here that since the Committee itself makes own allocations to various programmes, though, keeping in view the budgetary requests made by the President, the allocations are deemed to have been made keeping in view all the requirements including infrastructure. However, one observation of the Committee on Appropriations in this regard is worth mentioning. The Committee, recognising, the critical role of haemophilia treatment centres in the prevention and treatment of the complications of haemophilia and other bleeding and clotting disorders, urged the HRSA to strengthen support for these centres.

It would thus be seen from the preceding paragraphs that committees get an idea about the working of the programmes and make suitable suggestions where necessary. Since it is a regular feature every year, executive is always kept on tenterhooks. It may also be seen that committees in both the countries have made effective use of the budgetary process to review the executive programmes.

Programmes and sub-programmes

Details – Scrutiny and Review

The approach of both the committees is quite contrasting as regards the number of programmes taken up for scrutiny and or allocation. The Committee on Human

---

119 19th Report, n.12.
120 Report 107-229, n.3(i).
Resource Development scrutinises the Demands for Grants, major programme wise, and along with it, reviews and makes its observations. For the Financial year 2001-2002, the Committee scrutinised the Demands for Grants of the Department of Health and made observations on 18 major and minor heads. The following are the heads, dealt by the Committee:¹²¹

- Budgetary Allocation, Central Government Health Scheme (CGHS), Safdarjung Hospital, Dr. Ram Manohar Lohia Hospital, Central Institute of Psychiatry, Ranchi, All India Institute of Medical Sciences (AIIMS), Jawaharlal Institute of Post Graduate Medical Education and Research, Pondicherry (JIPMER), National Cancer Research Programme, National Malaria Eradication Programme, National Leprosy Eradication Programme, National Programme for Control of Blindness, National Aids Control Programme, National T.B. Control Programme, State Health Systems Development Projects;, Implementation of Health Programmes, in North East Sector, Hospital Waste Management, Quality Control or Drugs, National Illness Assistance Fund.

The Committee on Appropriations, in its report on the Appropriations Bill, 2002 dealt with 406 major, minor and sub programmes pertaining to the Department of Health. However, the following are the major programmes of the Department of Health dealt by the Committee on Appropriations:¹²²

- Health Resources and Services Administration, Centres for Disease Control and Prevention, National Institutes of Health, Substance Abuse and Mental Health Services Administration, Agency for Healthcare Research and Quality, Low Income Home Energy Assistance, Child Care and Development Block Grant, Social Services Block Grant, Head Start, Community Services Block Grant, Funding of Abortions, Human Embryo Research, Title X Family Participation in Decisions of Minors to Seek Family Planning, Title X Compliance With State Laws.

But two comparable National Institutes in both the countries can be discussed as to how both have been dealt by the respective Committees while dealing with the Demands for grants. Whereas the Committee on Human Resource Development dealt with the All

¹²¹ Source 100th Report, n.2(vii).
¹²² Source Report 107-229, n.3(i).
India Institute of Medical Sciences (AIIMS), under one head only, i.e. under the name of the institute only, the National Heart, Lung, and Blood Institute in USA was dealt by the Committee on Appropriations under the following sub-headings:

Mission, Blood disorders, Bone formation and calcification in cardiovascular diseases, Cardiovascular diseases, Cardiovascular Diseases and Stroke in Women, Chronic Obstructive Pulmonary Disease, Cooley’s Anaemia, Diabetes, Hematological Cancers, Haemophilia, HIV/AIDS, Lyme Disease, Lymphangioleiomyomatosis, National Asthma Education and Prevention Programme, Neurofibromatosis, Paediatric Asthma Network, Paediatric Cardiology, Primary Pulmonary Hypertension, Transfusion Medicine, Transmissible Spongiform Encephalopathies.

As regards the Departments of Education are concerned, the Committee on Human Resource Development in India dealt both the Departments of Elementary Education and Literacy and Secondary Education and Higher Education under 40 heads in its 103rd and 104th Reports, whereas the Committee on Appropriations dealt with the Department of Education under 160 major and minor heads.

**Effect**

Though, the allocations made by the Committee on Appropriations may not be final, and both the Chambers may make some changes, but the Bills reported by the committees are considered and discussed and finally voted upon and when there is difference between the two Houses, Conference resolves the difference. The Committee does not just give its report on the President’s budgetary requests, but it also presents the Appropriations Bill(s). But in India, the Committee only makes recommendations. The Demands for Grants alongwith the Reports of the committees are not discussed for every

---

123  (i) 103rd Report, n.2(viii); and (ii) 104th Report, n.2(ix).
124 Source: Report 107-229, n.3(i).
Ministry every year. Since the inception of the Department related Standing Committees, i.e. 1993, till 2003, only three years i.e. 2000, 1997, and 1994, the Demands for Grants of the Ministry of Human Resource Development were discussed, of which Department of Education is a part, and for the remaining years the Demands of the Ministry were guillotined. The Demands of the Ministry of Health and Family Welfare have not been discussed and have always been guillotined. The allocations have always remained the same in the Appropriations Bills as proposed in the Demands for Grants by the Government.

Department of Health got the final allocation of Revenue 2556,93,00,000 and Capital 317,05,00,000 in the Appropriation (No. 3) Act, 2003 though the Committee recommended an increase in the allocation in its report on the Demands for Grants for 2003-2004 which reads as under:

The Committee is constrained to observe that even the ‘priority’ area such as Public Health have not been spared from the cuts imposed by the planning Commission or the ministry of Finance as the case may be. The Health of the people is of extreme importance. There should be an increase in the budgetary allocation every year commensurate with the size of the population and the requirements in respect of infrastructure, medication etc which should provide adequate healthcare to people.125

From the preceding paragraphs, it is seen that the Committee on Appropriations has the authority, derived from the system, to make its own allocations to the various programmes of the Departments. The allocation made by the committees is generally different from the budgetary request. By making and refusing to make allocations, the Committee on Appropriations controls the executive and influences the policies. Oversight and investigations give an opportunity to the committees to supervise and

125 135th Report, n.1(i).
review the programmes of the Departments, and the committees make necessary observations and suggestions. One question may arise as to what happens to the observations and recommendations made by the Department related Standing Committees in India. At the time the Demands for Grants are voted, the government hardly gets time to act upon them. There is one way to find out the influence of the recommendations of the committees and that is the Action Taken Reports given by the committees on the action taken by the government on its recommendations in the previous year.

The committees in India give action taken reports on the recommendations made by it in the earlier reports. The action taken reports are presented by the committees on the basis of the action taken note submitted by the Ministry/Department concerned. The action taken reports are the right way of measuring the executive’s response to the recommendations of the committee. The committees deal with the action taken reports in the following four chapters:

1) Recommendations/Observations that have been accepted by the Government;
2) Recommendations/Observations which the Committee do not desire to pursue in view of the Government’s replies;
3) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee; and
4) Recommendations/Observations in respect of which final replies of the Government are still awaited.

The Committee on Human Resource Development had given action taken reports in 1995 and 1996 and thereafter, till 2001 no action taken report was given on the Demands for Grants. The Committee, however, has given the action taken reports (ATR) in 2002 and 2003 on the Departments of Health and Education. Effort will be made to examine the ATRs to find out the extent of committees’ influence over the executive/administration and the executive accountability.
When the Committee recommended for higher allocation for Homeopathy, the Ministry have stated that “Depending on the actual requirement of additional funds during 1994-95, more funds shall be asked for in RE 1994-95.” Here government has accepted the recommendation agreed to consider increasing allocation at RE.

When the Committee was concerned at the bad state of Central Institute of Psychiatry, Ranchi, and recommended for a review of functioning of the institute, the Ministry have stated that the suggestion had been noted for guidance and further action. Apparently, the Ministry have accepted Committee’s observation on the functioning of the institute and to take further action. It is an area where Committee has tried to find failures in the system and tried to rectify and the government fell in line.

The Committee, in its action taken report on the recommendations made in 19th report on Demands for Grants for 1995-96, felt that the allocation for the Medical Education and Training was not sufficient and recommended for suitable increase. On this, the Ministry had stated that the observations of the Committee relating to increasing the allocation for medical research in AIIMS, New Delhi and PGIMER, Chandigarh and ICMR, New Delhi, will be kept in mind at RE stage. Again, it indicates government’s acceptance of committee’s recommendation for increasing allocation. In the same report, the Committee felt that there was neither the number of De-addiction centres nor the infrastructure provided to them was adequate and recommended that the outlay should not have been reduced. The Ministry had replied that the “recommendation of the Committee

---

127 Ibid.
have been noted. The Ministry is encouraged with the recommendations to augment the Drug De-addiction Centres and for increase in the allocations for the same.”

Here, the Ministry has considered the recommendation as a formidable encouragement, without which perhaps its hands must have been tied from taking any action.

The Committee made a recommendation for increased allocation to the UGC, in view of the ever-increasing responsibilities. The Ministry replied that “University Grants Commission (UGC) has been provided an additional grant of Rs.109 crores at the RE stage in 1995-96.” Here the huge additional grant made for UGC at RE must be considered as a consequence to the Committee’s recommendation.

On a recommendation of the Committee, UGC appointed an agency for investigation. The recommendation and the action taken are as under:

**Recommendation:** The Committee has noted that on its recommendations made in its Fifth Report, the University Grants Commission had engaged the services of Educational Consultants India Limited to verify the civil works undertaken by non-grant colleges during the Seventh Plan Period. The Committee desires that the study be completed expeditiously and after receiving the observation thereof, suitable action should be taken against such colleges as may have violated the norms.

**Action Taken:** The Educational Consultants India Limited has since submitted its report to the University Grants Commission. The matter is under examination. Necessary action would be taken in pursuance of the recommendations after an appropriate view has been taken on the subject by the UGC.

It would be seen from the above that the UGC had engaged the services of Educational Consultants India Limited to verify the civil works undertaken by non-grant colleges during the Seventh Plan period. The action taken indicates that government have

---

129 Ibid
131 Ibid
already acted on most of the recommendation and the final action on the report of ECIL was only left. It is a formidable impact of committees on the government.

But when the Committee was not satisfied with the action taken by the government, a further recommendation was made. In regard to Operation Black Board, the Committee observed that “infrastructure for the required standard for elementary schools has not been created and maintained.” The Committee recommended “that when purchase of equipment is made for schools, the quality aspect of the equipment must be ensured.” The action taken by the government was that the “State governments have been asked to ensure timely supply of material and also evolve a mechanism for maintaining quality.” The Committee was not satisfied with the action taken and made the following further recommendation:

“The Union government cannot completely abdicate its responsibility in this matter. The Committee desires that steps should be taken to ensure quality aspect of the infrastructure supplied.”

Here, even though the Ministry have informed the Committee that they had asked the state governments on the recommendation, it was not satisfactory to the Committee. The Committee wanted the result and that the union government’s full involvement in the matter.

The Committee has made a recommendation on the under-utilisation of funds in Cancer Control Programme and when it was not satisfied with the government’s action, further recommendation was made, which are as under:

**Recommendation:** The Department informed the Committee that during the year 1993-94 and 1992-93, funds under Cancer Control Programme were surrendered

---

on account of lower utilisation. The Committee suggests that it should be inquired as to why the allocated amount was not utilised. The Committee is also not satisfied with reduction in budgetary allocation and suggests enhancement.

**Action Taken:** During 1992-93, the external aid amounting to Rs.6 crores did not materialise. As regards 1993-94, an amount of Rs.2.50 crores could not be released to the All India Institute of Medical Sciences, New Delhi, for the development of the Institute’s Rotary Cancer Hospital due to non-procurement of linear accelerator by the Institute under the project. Also, an amount of Rs.5.50 crores was proposed to be provided to Chittaranjan National Cancer Institute, Calcutta, but about Rs. one crore less was provided due to phasing of procurement of equipment. These were two main items where proposed funds could not be released.

**Further Recommendation:** The Committee notes that the action taken reply of the Department does not give adequate explanation for not fully utilising the funds provided under the Cancer Control Programme. The Committee also notes that the Department has not said anything in response to the Committee’s suggestion regarding the need to look into the reasons for under-utilisation of funds in this regard. The Committee, therefore, suggests that the Department should make an enquiry into this and try to divert utilised money to other schemes starved of funds including grants to voluntary organisations involved in this scheme.  

In the action taken above, the Committee was not satisfied on the reply about the under-utilisation. Some points raised by the committee were not answered and the Committee further recommended in the matter.

On the Demands for Grants for 2003-2004 of the Department of Elementary Education and Literacy, the Committee recommended for steps to reduce dropouts in the schools. The Ministry stated that it would also take all necessary steps to ensure that percentage of dropouts is reduced considerably and to ensure achieving the goal of retention of all children by 2010. The Committee made a further recommendation as under, on the action taken:

The Committee would like the Department to go into the root of the problem and initiate concrete measures like introducing “Earn and Learn” scheme to attract as well as retain more to education and also create a mass awareness programme in favour of education. The Committee is aware that the problem was complex and

---

133 24th Report, n.126.
difficult but it is certainly not impossible, provided there is a will and commitment for achieving the result.\textsuperscript{134}

The above further recommendation can be seen more as a further guidance to the government than rejection of the action taken, thus taking responsibility of guiding the government.

The action taken by the administration (Ministry) indicates the executive's accountability to the Parliament and to the committees. By making further recommendations, the committees indicate that they exercise effective control over the implementation of the executive programmes. Statistics of number of recommendations accepted varies. The Committee considered that 42 recommendations made by it were accepted by the government and made further recommendations on 7 recommendations on the action taken by the government thereon contained in fifth report on Demands for Grants for 1994-95 in regard to the Department of Education. For Demands for Grants for 2003-2004 of both the Departments of Elementary Education and Literacy and Secondary Education and Higher Education, the Committee treated 27 recommendation accepted by the government and made further recommendations on 34 recommendations as Committee did not accept the action taken by the government on those 34 recommendations.\textsuperscript{135}

Some of the Recommendations accepted by the government have been placed in the annexure\textsuperscript{136} for a detailed perusal.

\textsuperscript{134} 144\textsuperscript{th} Report of the Committee on Human Resource Development on the Action Taken by Government on the Recommendations/Observations contained in the 138\textsuperscript{th} Report on Demands for Grants 2003-2004 of the Department of Elementary Education and Literacy. Hereafter called 144\textsuperscript{th} Report
\textsuperscript{135} (i) Ibid,
\textsuperscript{136} Annexure III
The Committee on Appropriations does not give action taken reports. But the Committee, while examining the appropriations, does receive the action taken note from the Departments on the recommendations made by it in the earlier reports. The Committee only takes note of it during the course of the evidence of the officers of the Department. The Committee on Appropriations in its report on Appropriations Bill, 2002 recommended on HIV/AIDS and TB prevention. The recommendation and the action taken are as under:

**Item:** The Committee urges CDC to give its HIV strategic plan high priority, especially with regard to behavioural research, development, implementation and evaluation of prevention and intervention programs for at-risk sub-populations such as racial and ethnic minorities, adolescents, women, sex workers, substance abusers and incarcerated individuals.

**Action taken or to be taken:** CDC’s HIV Prevention Strategic Plan is being used to prioritise new behavioural research, and the development, implementation and evaluation of prevention and intervention programs for at-risk populations as identified in the plan. Operating plans for 2002 will address gaps in funding of priority activities and the strategic plan will guide the development of new HIV prevention programme announcements for FY 2002, such as program announcements intended for minority community based organisations.

Since the Committee does not give an official report on the action taken alongwith further recommendations, it is not dealt in detail. But the fact that the executive comes to

---

137 Hearings of the Committee on Appropriations, Sub Committee on Labour, Health and Human Services and Education.
the committee with the action taken by it on the committee's recommendation is an indication of executive accountability to the committees and ultimately to the Congress.