



Centre proposes to hike pensions

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Plan likely to be part of interim Budget

- Ahead of the 2019 election, the Rural Development Ministry has proposed that the monthly pensions of the elderly poor, disabled and widows be increased from the current Rs.200 to Rs.800.
- For those above the age of 80, the proposal is to increase the pension from Rs.500 to Rs.1,200 a month.
- The Ministry has submitted the proposal, which would have an additional annual cost implication of Rs.18,000 crore, to the Finance Ministry to be considered for inclusion in the interim Budget
- Separately, a study has been launched to consider doubling the number of people covered by the scheme, a promise originally made in last year's Budget.
- Discussions are also being held with the State governments on a proposal to merge the Central and State pension schemes.
- The National Social Assistance Programme(NSAP) is a Centrally Sponsored Scheme with an annual budget of Rs.9975 crore.
- NSAP currently covers more than three crore people who are below the poverty line (BPL), including about 80 lakh widows, 10 lakh disabled and 2.2 crore elderly.
- Those who are older than 80 years are paid Rs.500 per month, while the rest are given Rs.200 per month.
- These amounts have not been revised since 2007.
- State governments add their own contribution, ranging from less than Rs.500 to Rs.2000 per month.

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