



Commitment to Reducing Inequality Index 2020: Oxfam

Why in News

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

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

*Health + education + social protection

Key Points

▪ About:

- The Index ranked countries **measuring their policies and actions in three areas** that it said are proven to be directly related to reducing inequality:
 - Public services (health, education and social protection)
 - Taxation
 - Workers' rights
- **Nigeria, Bahrain and India**, which experienced the world's fastest-growing outbreak of **Covid-19**, were among the **world's worst-performing countries in tackling inequality** going into the pandemic.

▪ India's Position on the Index:

- **Overall, India ranked 129 in the CRI index** out of 158 countries **on government policies, and actions** in areas of public services of education, health, social protection, taxation, and workers' rights.

- India slipped from rank **141** in the year 2018 **to 151** in the year 2020 with **weak labour rights and high incidence of vulnerable employment.**
 - Highest presence of the informal sector for men was in Uttar Pradesh at 86.9% and for women was in Andhra Pradesh at 73.6%.
- In terms of its **public services, it ranked 141.**
- India has been ranked **19** on the **taxation pillar.**

▪ **Reasons for India's Poor Performance:**

◦ **Exploiting Labours in Covid:**

- Several state governments in India have **used Covid-19 as a pretext to increase daily working hours from 8 to 12 hours** a day and **suspend minimum pay legislation**, devastating the livelihoods of millions of poor workers now battling hunger.

◦ **Low Health Budget:**

- India's **health budget was the fourth lowest** with half of its population having access to most essential health services, and more than 70% of health spending being met by people themselves.

◦ **Informal Jobs:**

- Most workers **earn less than half of the minimum wage**, 71% don't have any written job contract while 54% do not get paid leave.
- Only around **10% of the workforce in India is formal.**

▪ **Recommendation:**

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

• **SDG 10:**

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

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

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

Oxfam International

▪ **About:**

- Oxfam International is a group of **independent [non-governmental organisations](#)** formed in 1995.
- The name "Oxfam" comes from the **Oxford Committee for Famine Relief**, founded in

Britain in 1942.

- The group campaigned for food supplies to starving women and children in enemy-occupied Greece during the Second World War.
 - It aims to **maximize efficiency and achieve greater impact to reduce global poverty and injustice.**
 - The Oxfam International **Secretariat is based in Nairobi, Kenya.**
- **Other Reports:**
- The [Global Inequality Crisis Report](#) by Oxfam in January 2021 claimed that **India's richest 1% hold more than four-times the wealth held by the bottom 70%** of the country's population.
 - The [Inequality Virus Report](#) in January 2021 also found that the [Covid pandemic](#) deeply increased the existing inequalities in India and around the world.

[Source:TH](#)

PDF Refernece URL: <https://www.drishtias.com/printpdf/commitment-to-reducing-inequality-index-2020-oxfam>

