

22. Ensuring Water for the marginalised-I

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To control water consumption, the pricing mechanism is not effective. Creating awareness may be a better option

India is not a water starved country. The issue is inefficient distribution and management of water resources, particularly urban water management.

Water is a sensitive issue and has various dimensions and conflicts, such as equitable access, competing uses, quality issues, displacement vis-à-vis development, commercialization, privatization, urbanization and inter-State conflicts. The government has urgent task addressing these issues.

In this two part series, we discuss the right to water and efficacy of pricing of water on conservation and consumption by the marginal sections of the society. Our government strives to achieve water for all and strike a balance between the right to water for life and its pricing to recover the costs and prevent its wanton overuse.

Use of domestic water forms an integral part of a poor household's coping strategies. It is an important part of poverty alleviation. Providing a basic level of access to water and health services is the highest priority. Policy initiatives are targeted at increasing the numbers of households with sufficient levels of water resource and focus on consumption by the marginalised sections.

Earlier a comparison between per capita household water consumption of sample households and the recommended norms given by Bureau of Indian Standards (BIS), 2001 Master Plan of Delhi, Central Public Health Engineering and Environmental Organisation, Leak Detection and Investigation (LD&I) and Japan - International Corporation Agency, showed a bleak picture of consumption in low income areas.

As per 'India-Urban Slums Survey: NSS, 69th Round', at an all-India level, though households living in slum areas now have improved access to drinking water, households living in non-slum areas have better access. This disparity in water availability and use is increasing between economically lower and upper strata of the society.

The government's Jal Jeevan Mission plans to provide tapped water to about 19 crore households, Har Ghar Jal, and fulfill an important commitment in the Constitution; for provisioning of potable water to all its citizens. But there is a lot ground to be covered. At the policy level there are competing ideologies and divided views, particularly on pricing and conservation, we need discussion and debate on water.

Water Precious resource AFP

Pricing matters little

There are diverse views relating to the impact of pricing of water on consumption behaviour. Many studies on household consumables like water, show that they are price-inelastic. Despite this inherent inelasticity, some studies suggest that price could be a good water-demand management tool.

Based on the economic principle that demand decreases with increase in prices, some economists believe that efficient water management requires clear price signals that provide incentives for efficient use of water, resulting in efficient allocation of water among competing demands.

Awareness of the prevailing price and self-declared response to a change in price of water by households is considered as basic indicators to gauge price sensitivity; our study observed that the consumption of around 90 per cent of the households of low income colonies will not come down as their consumption levels were already very low.

The proportion of income spent on water is another important parameter and our study, using primary data, shows it is 4.93 per cent, implying that the households are less sensitive to water prices. Also, the proportion of

income spent on water, falls as we move from the lower to higher-income colonies suggesting that the sensitivity to prices, of the lower-income group is higher than the higher-income groups.

So the consumption of water demand is highly price-insensitive. This is because people perceive water as a necessity and not a luxury. It also implies that increasing the price may not reduce consumption of water significantly. Most of the literature on willingness to pay by consumers', justify market pricing of water as there is a willingness to pay. But an important aspect ignored in these studies is that the willingness to pay will always be there for necessities, in case of a shortage. Affordability should be given more priority in designing policies pertaining to essential elements like water. Pricing of water is a critical policy decision. The poor will be affected more than higher income classes.

The best way to reduce house- hold water wastage is to spread awareness about the means to save water at home. Creating consciousness about the repercussion of using water carelessly will also help people to be more careful in its usage. Some of the water-efficient - equipment such as low-flow showers and taps, dual flushing systems, water-saving equipment to wash clothes and utensils or even simple taps in resettlement colonies etc., can help a lot in conservation.