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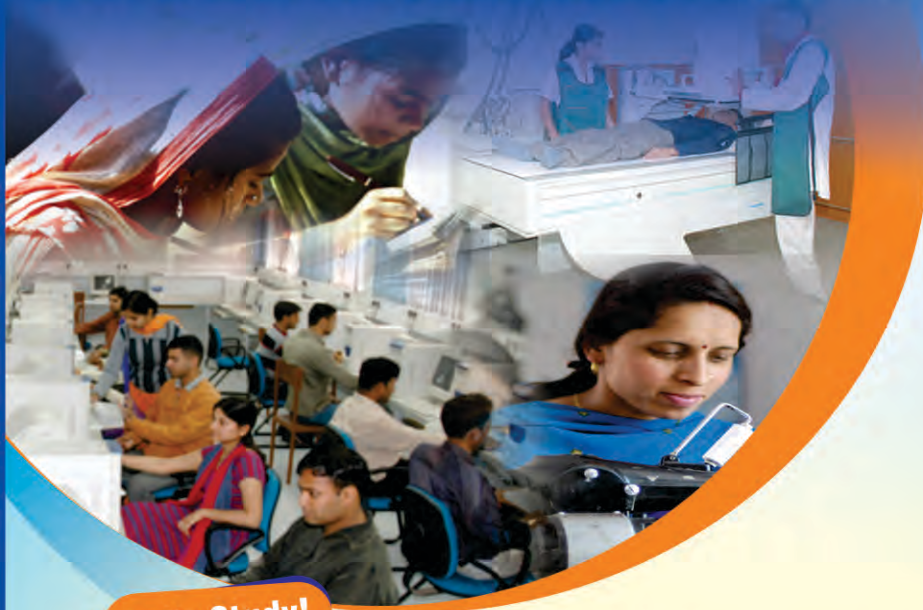
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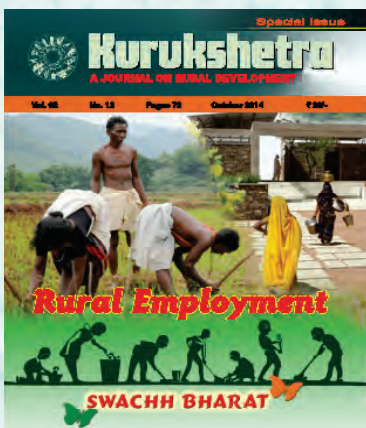
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INSIDE

The Unemployment rate in rural India is 1.7 per cent compared to 3.4 per cent in urban India. As majority of India's population still lives in the rural areas where the GDP has come down sharply from around 40 per cent in the 1990's to less than 20 per cent, the slower unemployment rate tells the story behind migration of people from rural areas to urban areas in search of employment.

While 51 per cent of the country's total workforce is self-employed, only 15.5 per cent are regular wagers or salaried employees and 33.5 per cent casual labourers. Several schemes have been announced to boost employment in rural areas but analysts have been advocating creation of assets as part of these schemes, so that money is well spent as well.

The new government has now fine tuned MGNREGA to cap wasteful expenditure, create sustainable assets and generate employment, especially in tribal and remote areas of the country.

The Government has advised the States to make it mandatory to get recorded the Expected Outcomes at the time of execution of work and measurement of 'Actual Outcomes' at the time of closure of a work w.e.f. 1st September 2014. In addition, the ratios are being changed so that added emphasis will be put on creating assets along with employment generation.

Another feature of India's employment map is the large share of informal workers. Though the share of workers in the informal sector has fallen from 86.3 per cent in 2004-05 to 82.2 per cent in 2011-12, the proportion of informal workers in the formal sector has increased.

To provide effective employment to the youth the government has embarked on a programme on priority basis to enhance the skills of the youth so that they can get better remuneration and help give a push to industrial activity in the country with the aim of creating more jobs.

With sectoral shift from agriculture to other sectors of the economy the workforce need to be imparted with skills so that they can seek employment in other sectors of the economy.

Delivering his first Independence Day speech from the ramparts of the Red Fort, Prime Minister Narendra Modi said, "Skill development, skilled India is our mission. Skill development will be towards job creation and empowering the youth with skills."

Considering the increased pressure on land there exists limited scope for increasing employment in agriculture so that employment in the non-farm sector becomes an important option. The rural sector in India is undergoing a transformation and the contribution of rural non-farm sector to the rural income and employment is growing.

October will see the launch of a dream project of the Prime Minister, Mission 'Swachh Bharat' (clean India) to be launched on October 2, with Mahatma Gandhi as the inspiration which will create a clean India of his dreams by 2019.

The Prime Minister has said that the pursuit of cleanliness can be an economic activity, contributing to GDP growth, reduction in healthcare costs, and a source of employment. □

'CLEAN INDIA': MOVING BEYOND SEMANTICS AND ANNOUNCEMENTS

Mohd. Shahid

The clarion for 'clean India' campaign on 15th August must be acknowledged, appreciated and adopted by every citizen of the country as an actor in the making of the nation. Kudos to the prime minister for placing the issue of toilets on nation's agenda that too from the ramparts of the Red Fort. However, neither the announcements are new nor the contributions by the corporate sector, and hence any sincere endeavour (Swachh Bharat Abhiyan) and its implementation must take note of the journey hitherto travelled be it Nirmal Bharat Abhiyan (2012) or the erstwhile Total Sanitation Campaign (1999) or Central Rural Sanitation Programme (1986).

“Let us pledge we will give a 'Clean India' as a gift to our father of the nation on his 150th birth anniversary in 2019” proposed the Prime Minister of India on the eve of 68th Independence Day. Arguing that the big obstacle in *promoting tourism* and in *our national character* is the **filth** around us, the Prime Minister stressed on the proactive participation not only of Government but more significantly of people (Jan-Bhagidari) and off course of the corporate sector. Announcing to

launch the '**clean India**' campaign from 2nd October 2014 (to be carried forward in 4 years), the Prime Minister diligently outlined the **goal** (Clean India), the **priority problems** (open defecation-a blot on the dignity of women; and schools without toilets especially girls toilets); the **immediate targets** (all schools in the country should have toilets with separate toilets for girls in next one year i.e. by 15th August 2015; and Model Villages in phased manner) and the **key actors** (Members of



Parliament through 'Sānsad Aadarsh Grām Yojana' and corporate sector through Corporate Social Responsibility).

The clarion for 'clean India' campaign on 15th August must be acknowledged, appreciated and adopted by every citizen of the country as an actor in the making of the nation. However, it must be noted that the 'clean India' campaign should not be a rechristened version of the similar such campaigns like Total Sanitation Campaign or *Nirmal Bharat Abhiyan* which aimed at universalizing safe sanitation. Or at least this time the targets set forth and deadlines fixed shall not be jumped no matter we call it *Aadarsh Gram* or *Nirmal Gram*. Therefore, the underlining difference that the 'clean India' campaign could make lies in the deliverables otherwise the country would go into despondency, as the prime minister himself cautioned in his Independence Day speech. It is hoped that the 'clean India' campaign would move beyond semantics (change of nomenclature) and ceremonial announcements. In this context, the present article endeavours to briefly review the significant efforts and initiatives for clean India in the recent past and the lessons that could be taken for making 'clean India' campaign a reality.

Toilet, Dry Latrines and Manual Scavenging

The latest National Family Health Survey-3 (2005-06) provides the percentage of household having access to a toilet at all India level is just 33.1%. In case of urban areas it is 83.7% and in rural areas it is miniscule 16.0%. It means a sizable majority of India's population and almost whole of rural India is bereft of sanitary toilets. This *inter alia* means that even in 21st century our rural masses are compelled to either open defecation or to the unhygienic toilets and even the dry latrines. The practice of open defecation is a shame on the nation and a serious affront on the dignity of women. The dry toilets, apart from a store house for the vectors of diseases and epidemics, sustain the inhuman practice of manual scavenging whereby our fellow human beings belonging to specific caste groups are compelled to clean the human excreta in the most inhuman conditions. This practice of manual scavenging, in any form, has been banned and declared a criminal offence by the

legislative enactments and the orders of the apex court viz. The Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993; The Prohibition of Employment as Manual scavengers and their Rehabilitation Act, 2013 and the Supreme Court Order dated 27th March 2014 in *Safai Karamchari Andolan & Ors. Versus Union of India & Ors* vide Writ Petition (Civil) No. 583 of 2003. It has been noted that because of the legislative enactments followed by the schemes for the rehabilitation of manual scavengers and time to time directives of the apex court, the district administration and government of the states declared themselves to be free from dry latrines and manual scavenging. And later, the activist organisations and individuals found that many of these claims were simply the blatant denial. In fact the above cited judgement of the apex court was on a Public Interest Litigation praying the issuance of a writ of *mandamus* to the Union of India, State Governments and Union Territories to strictly enforce the implementation of the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993 *inter alia* seeking the enforcement of fundamental rights guaranteed under Article 14, 17, 21 and 47 of the Constitution of India.

Therefore, the 'clean India' campaign must focus on the complete prohibition of dry latrines and 'total' rehabilitation of persons liberated from manual scavenging in terms of skilled trainings and gainful employment. It must also ensure that it should not be a game of numbers, affidavits and declarations whereby the district administration and state governments vociferously claim for 'clean India' achievements while remaining oblivious to the existing reality of manual scavenging. Herein is the opportunity to and responsibility of the citizens, media, social media, civil society organisations, professionals, youths, students, teachers etc. to declare their ownership of the campaign by simply reporting the instances of manual scavenging. We all can at least do that!

A good example of how a district as a whole could put 'toilet' on its agenda is the initiative *Dalia Jalao* (burning the wicker baskets of manual scavengers)- converting dry latrines; liberating

and rehabilitating manual scavengers; and moving towards total sanitation in Badaun District of Uttar Pradesh. For this initiative, the then District Magistrate also got the prestigious *Prime Minister's Award for Excellence in Public Administration* for the year 2011-12 on Civil Services Day 2013.

From Toilets to Total Sanitation

Kudos to the Prime Minister for placing the *issue of toilets* on nation's agenda that too from the ramparts of the Red Fort. In consequence there are positive developments on part of government departments and corporate sector. The Department of School Education and Literacy, Ministry of Human Resource Development, Government of India has flagged a leaflet *Swachh Bharat & Swachh Vidyalaya Campaign* detailing the number of government schools without toilets (10,94,431), the average cost of construction, maintenance and repair of toilet blocks, and inviting donors-individuals/corporates/institutions. The Ministry of Drinking Water & Sanitation, Government of India has launched the National Sanitation Awareness Campaign from 25th September 2014 to 23rd October 2014. Two of India's biggest companies, Tata Consultancy Services and Bharti have committed Rs. 100 crore each to build toilets in schools for girls. Coca-Cola has committed to further build on its ongoing sanitation programme to construct toilets in schools. However, neither the announcements are new nor the contributions by the corporate sector, and hence any sincere endeavour and an assessment of the same (for 'clean India') have to take note of the journey hitherto travelled.

The data by the Ministry of Drinking Water & Sanitation provides the glimpses of the sanitation in the country

India has come a long way in improving its sanitation coverage status but it falls short of the desired levels especially when seen in terms of the Government of India's commitment to the United Nations Millennium Development Goals more specifically the Target 7 under Goal 7 that focuses on ensuring environmental sustainability and proposes to halve, by 2015, the proportion of people without sustainable access to safe drinking

water and basic sanitation.

Looking back, the Government of India launched the Central Rural Sanitation Programme in 1986 with the objective of accelerating sanitation coverage in rural areas. It was restructured in 1999, exhibiting a paradigm shift in the approach, and the Total Sanitation Campaign (TSC) was introduced which aimed to improve the general quality of life in rural areas; accelerate sanitation coverage in rural areas through access to toilets to all by 2012; motivate communities and Panchayati Raj Institutions through awareness creation and health education; cover schools and Anganwadis in rural areas with sanitation facilities by March 2012, and promote hygiene education and sanitary habits among students; encourage cost effective and appropriate technologies for ecologically safe and sustainable sanitation; and develop community managed environmental sanitation systems focusing on solid and liquid waste management (UNICEF India & Centre for Budget & Governance Accountability, 2011, *Total Sanitation Campaign (TSC)- Budgeting for Change Series 2011*, New Delhi, p.2). In 2012, a paradigm shift was made in the Total Sanitation Campaign (TSC), by launching the *Nirmal Bharat Abhiyan* with the objective to achieve sustainable behavioural change with provision of sanitary facilities in entire communities in a phased, saturation mode with 'Nirmal Grams' as outcomes *Nirmal Bharat Abhiyan* envisages covering the entire community for saturated outcomes with a view to create Nirmal Gram Panchayats with following priorities: provision of individual household latrine (IHHL) to both Below Poverty Line (BPL) and Identified Above Poverty Line (APL) households within a Gram Panchayat (GP); Gram Panchayats where all habitations have access to water to be taken up; provision of sanitation facilities in Government Schools and Anganwadis in Government buildings within these GPs; Solid and Liquid Waste Management (SLWM) for proposed and existing Nirmal Gram; extensive capacity building of the stake holders like Panchayati Raj Institutions (PRIs), Village Water and Sanitation Committees (VWSCs) and field functionaries for sustainable sanitation; and

appropriate convergence with MGNREGS with unskilled man-days and skilled man-days.

Further to add vigour to its implementation (TSC/NBA), GoI launched an award based Incentive Scheme for fully sanitized and open defecation free Gram Panchayats, Blocks, Districts and States called 'Nirmal Gram Puraskar' in October 2003 (*Guidelines Nirmal Gram Puraskar Nirmal Bharat Abhiyan* December 2012, Ministry of Drinking Water & Sanitation, Government of India, New Delhi). The objectives of the Nirmal Gram Puraskar are to promote safe sanitation and clean environment as a way of life in rural India; to incentivise Panchayati Raj Institutions (PRIs) to make the villages Open Defecation Free (ODF) and to adopt Solid and Liquid Waste Management (SLWM); to sustain the initiative of clean environment; and to encourage organizations to play a catalytic role in social mobilization in the implementation of NBA (Ibid). In consequence, between the year 2005 and year 2011, a total of 11.63% Gram Panchayats; 3.03% Block Panchayats and 2.19% Zilla Panchayats received Nirmal Puruskar (*Annual Report 2013-14*, Ministry of Drinking Water & Sanitation, Government of India, New Delhi). The state of Sikkim has become the first Nirmal State in the country. In his *Foreword* to the report *Sanitation and Hygiene Advocacy and Communication Strategy Framework 2012-2017* (Ministry of Drinking Water & Sanitation, GoI & UNICEF, 2012), the then Minister of Rural Development, Drinking Water and Sanitation lamenting the fact that only around 28000 Gram Panchayats out of 2.5 lakh in India have achieved the *Nirmal Gram* (Open Defecation Free Village) and reiterated that to take up sanitation in fast track and to more systematically address implementation issues, the Government of India launched the **Nirmal Bharat Abhiyan (NBA) or the Clean India Campaign**-An integrated approach to water, sanitation and hygiene **to make the country open defecation free by 2022**". The *Nirmal Bharat Abhiyan* and the quest for Nirmal Gram Puraskar of the Panchayati Raj Institutions and government district machinery have resulted in substantial progress in the universalization of safe sanitation be it the resolutions of Gram Panchayats making

villages open defecation free or the construction of toilets in households and schools or the developing safe sanitation and clean environment as a way of life.

To begin with, the 'clean India' campaign could sustain the achievements in the field of rural sanitation so far. The Nirmal Puruskar awarded Gram Panchayats, Block Panchayats, District Panchayats and States may be revisited and assessed for the post Award sustainability and accordingly the possibility of time-bound replication. And the experience, energy and enthusiasm of the individuals and organisations-government machinery, NGOs (national and international) and PRIs (already invested in *Nirmal Bharat Abhiyan*) must be maintained and strengthened for the universalization of safe sanitation and clean environment in India. No matter you call it clean India or Nirmal Bharat or Swachh Bharat.

Way Forward

Therefore, the 'clean India' campaign must capitalize on the momentum generated by the existing sanitation initiatives and networks in India especially the rural India. The agenda now must be for the 'total sanitation' in the country be it villages, slums, towns or cities. It must move from the provision of sanitary toilets to the sustainable safe sanitation and clean environment. A system of monitoring and evaluation for the sanitation and hygiene hardware and software activities is must in order to achieve the targets on time. Emphasis must also be placed on analysing budget allocations to make sure that money is spent appropriately and effectively and that implementers should be held accountable for their roles and responsibilities. Most importantly, the target based deadlines shall not be jumped and the mission 'clean India' shall be achieved as per the fixed deadline i.e. 2nd October 2019.

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SWACHH BHARAT - CHALLENGES & WAY FORWARD

“If we do not keep our backyards clean our Swaraj will have a foul stench.”

Mahatma Gandhi

After Prime Minister Mr Narendra Modi announced the making of ‘Swachh Bharat’ into a mass movement and linking it to economic activity to ensure greater participation, Mission Swachh Bharat (Clean India) has been launched.

Mission Swachh Bharat’ (clean India) launched October 2, with Mahatma Gandhi as the inspiration, to create a clean India of his dreams by 2019, his 150th birth anniversary

The Prime Minister has said that the pursuit of cleanliness can be an economic activity, contributing to GDP growth, reduction in healthcare costs, and a source of employment.

Linking cleanliness to tourism and global interest in India, the Prime Minister has said world-class levels of hygiene and cleanliness are required in India’s top 50 tourist destinations, to bring about a paradigm shift in the country’s global perception.

The Swachh Bharat Abhiyan(SBA), plans to make India Open Defecation Free (ODF) India by 2019 by construction of individual, cluster & community toilets; and villages will be kept clean, including through solid and liquid waste management through Gram Panchayats. Water pipelines have to be laid to all villages enabling tap connection into households on demand by

2019. This is to be achieved through co-operation and convergence of all Ministries, Central & State schemes, CSR & bilateral/multilateral assistance as well as new & innovative ways of funding such interventions.

Challenges:

Mindset : About 590 Million persons in rural areas defecate in the open. The mindset of a major portion of the population habituated to open defecation needs to be changed. Many of them already have a toilet but prefer to defecate in the open. The biggest challenge therefore is triggering behaviour change in vast section of rural population regarding need to use toilets.

Other problems like problems of convergence between MNREGA and NBA, need for availability of water for use of toilets, how to deal with toilets already constructed which have become defunct/dysfunctional, inadequate dedicated staff at the field level for implementation of rural sanitation have also to be dealt with.

Way Forward:

- Changing mindset is very important. Since most of the IEC funds are with States, the State Governments will have to focus on Inter Personal Communication (IPC) through students, ASHA workers, Anganwadi workers, Doctors, teachers, Block Coordinators etc., including house to house visits. Also, distribution of information through short film CDs, use of TV, Radio, Digital Cinema,



pamphlets will be carried out. Local & National Sports/ Cinema icons are required to be engaged by States to prepare AV messages to spread the message of safe sanitation practices to change mindsets.

- Conjoint approach through District Level conjoint DPRs for piped water supply and Household latrines will be done through bottoms- up planning to include both water and sanitation simultaneously, for approval by the State level Scheme Sanctioning Committees (SLSSC). Such toilets can also be re-constructed, as also non-entitled APL toilets through microfinance and under priority sector lending window of banks. Strengthening of administrative infrastructure at state level is proposed through merging of drinking water supply and sanitation departments to avoid the unnecessary duplication and confusion at present. Block Coordinators and Swachhata Doots are being now engaged on contractual basis.
- Inter Personal Communication through NGOs, SHGs, School children, local women's groups etc for dissemination of information and for motivation of the people would also be explored.
- A SPV is proposed to be set up within the Mission as a Company under the Companies Act. It will source out Govt. and non-Govt funds, including CSR funds and interalia also implement CSR projects. It will also act as a specialised PMC for water & sanitation jobs entrusted to it by the Centre and States. Also it will process PPP cases having revenue streams, say community toilets, community water treatment plants etc The PMC would also take on jobs if required by States for preparation of district DPRs, for water and sanitation and for multi-village pipeline projects covering several districts and will also undertake IEC/IPC activities as a PMC on payment basis by Centre/States.

Targets

- under the Swachh Bharat/NBA Yojana 8.84 crore HHs have to be covered with individual toilets in next 5 years till 2019. The present growth in number of toilets is 3% of the households which will be tripled to 10% to achieve Swachh Bharat by 2019. From present construction of 14000 toilets daily, this Action Plan proposes to increase the construction to 48000 toilets daily.
- A further 2.27 crore toilets (falling in non-entitled APL plus defunct toilet categories) are to be covered by persuasion, peer pressure plus using trigger mechanism, Information, Education and Communication (IEC) and Inter Personal Communication(IPC) methods, as also with

help of NABARD/SIDBI who could arrange loans, microfinance & priority sector lending to construct these toilets. There is a Jan Bhagidari contribution of Rs. 900 per beneficiary, which will continue. The beneficiary can always contribute more than this to obtain a superior toilet.

Delivery mechanism

To strengthen the Delivery mechanism in sanitation in rural areas the following shall be carried out:

- a. There shall be a Memorandum of Understanding with States, on water and sanitation in which states will commit to a Swachh Bharat by 2019, as also to creating by 2015 an unified structure at State level for implementation of both water and sanitation, with interchange ability of funds between water and sanitation.
- (b) Releases to States with 'Just in time' concept be adopted by Centre to avoid extra cost of funds to GOI.
- (c) Funds to be released on projectised basis, on basis of FR/DPR of a district as a whole both for Water and Sanitation.
- (d) At the Central level an SPV, (to be set up) acting as a PMC will route CSR funds and also do PPP projects e.g. Community toilets, Water purification etc. The SPV will also effectively carry out IEC/IPC activities.
- (e) Enable a system of small loans through agencies like NABARD, SIDBI (or Banks through priority sector lending without co-lateral) to those households for the construction of toilets which are either not eligible for Incentives or need funds to construct better toilets maybe with bathing space.
- (f) Developing a Block Level cadre of Sanitation Coordinators who shall be the main support to GPs in disseminating information and strengthening capacity in sanitation activities.
- (g) Identifying a Swachhata Doot for each GP in the country, equipping him with skills on sanitation and giving him Performance linked incentives.
- (h) Intensive Monitoring at the HH level shall be taken up through the MIS of the Ministry. Besides senior officers of Centre & State should directly talk to the Sarpanches to get feedback.
- (i) Annual Sanitation Survey will be taken up with focus on capturing data on actual usage of built toilets.

The Nirmal Gram Puraskar will be discontinued and a Swachh Bharat Puraskar launched with widened focus of awarding PRIs (GPs, BPs and ZPs) and also to Institutions, Individuals, officials, best practices, NGOs etc.

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IMPLEMENTATION OF WAGE GUARANTEE: WHAT NEXT?

Dr. K. K. Tripathy

Generating employment opportunities for the growing labour force in India has been a matter of concern for India's planners and political masters. The limited impact of trickle-down theory and Harrod-Domar approach to development has pressed the Government of India (GoI) to structure, implement and restructure various poverty alleviation and employment generation programmes from time to time. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), a restructured wage employment programme, was initially implemented in 200 selected backward districts in India on February 2, 2006. It was extended in two phases to all over India, ensuring legal rights to at least 100 days' unskilled wage employment to the unemployed rural poor. The objective of this paper is to assess the importance of MGNREGA and to briefly outline the programme administration and benefits since its notification. An attempt has been made to examine the recent thrust of this universalised rural employment programme and to assess the future roadmap for its effective implementation.

Why Wage Guarantee?

Nearly three-fourths of India's 1,128 million

people live in rural areas. More than 66% of the country's labour force is engaged in agriculture and allied activities. Around 22% of India's population in 2011-12 lived below the poverty line. According to the latest estimates of Planning Commission, at the national level, rural poverty has declined from 50.10% to 25.70% during 1993-94 and 2011-12. The magnitude of rural poverty in 2011-12 was 216.65 million.

Economic growth, promotion of human development and targeted programmes of poverty alleviation have comprised the three-pronged strategy of GoI to address the multi-dimensional nature of poverty since the early 1980s. Though the strategy has had a favourable impact on the country's poverty, there still exists a need to reach the benefits fully to the relatively less privileged classes of the society. Besides, NSSO's 66th Round Survey, 2009-10 and Census data indicate a large rural-urban and male-female divide in employment and attainment of literacy level (Table 1).

Table 1 indicates that there is a large gap between current daily status of unemployment and usual principal status of unemployment. While the usual status unemployment rate indicates chronic



Table 1: Literacy and Unemployment Rates

Status	Rural			Urban		
	Male	Female	Total	Male	Female	Total
1	2	3	4	5	6	7
I. Unemployment rate (2009-10)						
1. Usual-principal status	19	24	21	30	70	37
2. Current weekly status	32	37	33	36	72	42
3. Current daily status	64	80	68	51	91	58
II. Literacy, 2011 (%)	77.2	57.9	67.8	88.8	79.1	84.1

Sources: 1. Key Indicators of Employment and Unemployment in India, 2009-10: (NSS 66th Round Survey);
2. Census of India, 2011.

unemployment (as all those who are found usually unemployed in the reference year are counted as unemployed), the variation in the usual status and current daily status rates implies the presence of a high degree of intermittent unemployment in rural and urban areas. However, the intensity of the intermittent unemployment has been estimated to be higher in rural areas than the urban areas (Table 1). This is mainly because of the absence of regular and sustainable employment opportunities for many workers. The comparison of literacy rates across the regions indicates that the rural literacy rate (67.8%) is much below the urban rate (84.1%), underscoring the low level of skill in the rural employable people.

A comparative estimate of population, labour force and workforce from NSSO data reveals that there has been a reduction of 20.94 million women in labour force and 20.05 million in workforce during 2009-10 as compared to 2004-05. This has happened when the share of women in the population improved from 48.1%

in 2004-05 to 48.4% in 2009-10. Similarly, in the case of men, the labour force growth rate was 1.5% as compared to the male population growth rate of 1.6%. While the work participation rate for men between these two periods were more or less stagnant, the female work participation rate reduced by 5.99 from 28.04 in 2004-05 to 22.05 in 2009-10.

An analysis of data on WPR in the country shows that the rural male WPR during 1983-84 to 2009-10 has remained constant whereas the decline in female WPR has been relatively steep. The low WPR could be ascribed to the non-availability of employment opportunities and the necessary investment needed for job avenues in rural sectors. MGNREGA, in this context, is expected to tap the potential of rural areas for creation of job opportunities by regenerating village economy in the long-term and remove demand side rigidities from the rural scenario.

Thus, implementing an employment guarantee

Comparative Estimates of Population, Labour Force and Workforce (in Million)

Category	2009-10			2004-05		
	Male	Female	Person	Male	Female	Person
1	2	3	4	5	6	7
Population	612.44	575.29	1,187.73	565.79	523.82	1,089.61
Labour Force	340.46	129.90	470.36	315.94	150.84	466.78
Workforce	333.59	126.84	460.43	308.81	146.89	455.70
Unemployed	6.87	3.06	9.93	7.13	3.95	11.08
Labour Force Participation Rate (LFPR)	55.59	22.58	39.60	55.84	28.80	42.84
Work Participation Rate (WPR)	54.47	22.05	38.77	54.58	28.04	41.82

Source: Kanan, K & Raveendran G (2012), 'Counting and Profiling the Missing labour Force', *Economic & Political Weekly*, Vol XLVII, No. 6, pp. 77-80

act and considering employability to be a legal right have considerable economic, social and political significance. The State-specific Rural Employment Guarantee Schemes (REGS), which are the consequence of MGNREGA, place a judicially enforceable obligation on the State. The REGS is expected to work towards relieving rural households of poverty and hunger by ensuring employment, income and livelihood support. The objectives of the Act, *inter alia*, include creation of durable assets and providing employment opportunities in rural areas, thereby curbing the problem of migration to urban areas in pursuit of employment and boosting the rural economy.

MGNREGA Administration & Achievements

MGNREGA is a centrally sponsored plan scheme and the central budget allocation for the Programme is considered and approved by Planning Commission and Ministry of Finance. The amount to be released by the Centre to the Districts/States is decided on the basis of LB projections made by the districts/State. As on 30.06.2014, Rs. 2.54 lakh cr. have been utilised under MGNREGA since 2006-07 out of which Rs. 2.26 lakh cr. (89.02%) has been contributed by the centre. Central Budget Outlay, releases to State/UTs and expenditure under MGNREGA since its inception is indicated in Table 3.

Table 4 indicates the physical progress under MGNREGA. The volume of wage-employment has grown from a meagre 90.5 cr. person-days in 2006-07 to 219.72 cr. person-days in 2013-14. Being a drought year, the employment demand peaked (283.59 cr.) in 2009-10. The average person-days per Household ranged between 42 days (2007-08) and 54 days (2009-10). The physical progress of MGNREGA in terms of employment generation, women and SC/ST participation is indicated in Table 4.

The reduced and less than expected participation of vulnerable and potential rural worker households in MGNREGA in the recent years and skewed performance of the wage employment programme during the last eight years have motivated this author to examine a few important implementation issues and to explore possible reformative actions in accordance with the priorities of the new government at the Centre.

Demand Management:

The most distinctive feature of MGNREGA from the earlier rural public works programme is that it has provided a legal entitlement to work on demand. One of the important mechanisms to estimate the demand is the preparation of realistic Labour Budget (LB) through rigorous

Table 3: Budget Estimate, Central Release and Total Expenditure under MGNREGA since inception				
(Rs. Cr.)				
SN	Year	Budget Estimate	Central Release	Expenditure
1	2	3	4	5
1	2006-07	11,300.00	8,694.25	8,823.36
2	2007-08	12,000.00	12,661.22	15,856.89
3	2008-09	16,000.00	30,000.19	27,250.10
4	2009-10	39,100.00	33,539.38	37,905.23
5	2010-11	40,100.00	35,841.49	39,377.27
6	2011-12	40,000.00	29,215.05	37,072.82
7	2012-13	33,000.00	30,274.69	39,778.29
8	2013-14	33,000.00	32,994.12	38,553.53
9	2014-15	34,000.00	13,686.74	10,266.63
Total (as on 30.06.2014)		2,58,500.00	2,26,907.13	2,54,884.12

Source: Ministry of Rural Development, GoI

Table 4: Physical Progress under MGNREGA since inception till 30.06.2014

SN	Indicator	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14
1	2	3	4	5	6	7	8	9	10
1	Person-days (No. in Cr.)	90.5	143.59	216.32	283.59	257.15	218.76	230.48	219.72
2	Average person-days per Household (in No.)	43	42	48	54	47	43	46	46
3	Women Participation Rate to total (%)	40	43	48	48	48	48	51	53
4	SC/ST participation to total (%)	62	57	55	51	51	41	40	40

Source: Ministry of Rural Development, GoI

planning exercise from the GP to the District level. However, in practice very few States follow the suggested planning processes which ultimately results in a huge gap between the projected LB and actual demand at the field level. It is also observed that States do not take seasonality into consideration while planning such labour budgets. In most States LB is prepared by following a top down approach instead of a bottom up approach as envisaged in the Act.

The community is vested with the responsibility of planning, execution and monitoring of MGNREGA provisions to ensure it, a demand-driven, self-selecting, right-based, people-centric and bottom-up public works programme. In spite of its in-built demand-driven nature, the implementing States are yet to establish an accurate and systemic infrastructure for timely and accurate capture of the labour demands. Like earlier public works programme, the States decide to open up works without linking it to the work demand of the people. A case in point is the non-implementation of mandated provisions on unemployment allowance (Section 7 of the Act). Further, the legality of the provisions relating to payment of unemployment allowance have got restricted and could not be invoked against the implementing States due to non-provision of dated receipt of job applications to the job applicants. In addition, there is low awareness among potential workers about the right-based provisions of the Act. This severely restricts the ability of these rural voiceless poor to demand work, exercise their rights and fully participate to avail of all the entitlements under the Act.

This calls for a deep review of the demand side of the programme implementation in order to put the legal entitlements of the rural labour at the heart of the programme. Prior to establishing area-specific robust systems for accurate record of labour demand, the States need to carry out a detailed survey of all job-card holder households and initiate intensive participatory planning exercise to ensure adequate anticipated labour demand, identification and prioritization of appropriate need based works and timely engagement of workers in the planned works under the Act. This participatory planning exercise would not only help in weeding out duplicate/fake job-cards in circulation and eliminate ghost job-seekers under MGNREGA but also throw light on accurate quantum and timing of labour demand. The genuineness of the demand could get reinforced if the State invites work application from the potential workers by organising regular community level *Rozgar Diwas* (employment guarantee days) or by conducting appropriate Information, Education and Communication (IEC) programmes.

Making Plans Participatory

The Act mandates that the preparation of LB should be made in a participatory manner in close consultation with the decentralised democratic institutions. It was presumed that the participating districts would strictly adhere to the principle of bottom-up approach from planning to approval of the selected shelf of projects for implementation of this people-centric programme. Since the community level self-government institutions were not trained

enough to plan, approve and run the programme, perspective plans were mostly prepared at the district level by the Government functionaries creating a disconnect between what is planned and what people needed. Infrequent meetings and low participation at the Gram Sabhas further dampened the spirit of the wage employment programme.

The Act has placed wage employment through active community participation at the centre of the district development planning for rural livelihoods. Thus, the districts should emphasise on participatory decentralized visioning for articulation of goals and outcomes on wage employment initiatives, livelihoods and infrastructure in the district as a whole. The participatory visioning exercise should analyse livelihoods and outcomes, and the potential and resources available at the local levels as well as at the state and national level. It must also focus on capturing the core contents of development and core contents of backwardness as well as the aspirations of the people. This would only be possible when the panchayat functionaries are appropriately trained, sensitised and equipped with adequate level of technical expertise in assessing natural resources in the district. In the new dispensation at the centre, it is expected that the States would initiate intensive training and capacity building programme for elected Panchayat functionaries, technical as well as administrative staff involved in the implementation of this programme.

Quality of Assets:

Good number of assets has been created under MGNREGA. While many assets lack durability, a lot more are found to have remained incomplete. In some States, the quality of assets are such that these do not last for more than a year and during monsoon season these got washed away or got severely damaged beyond repair. The quality and durability of assets in MGNREGA have been compromised due to faulty work design, improper selection of project and work site, lack of survey of works, inaccurate work design estimates, inefficient work execution and inadequate supervision. In addition to this, 44% of all works taken up under MGNREGA have remained incomplete.

With a view to successfully achieve the objective of creation of quality, productive and durable assets under MGNREGA, the Government has advised the States to make it mandatory to get

recorded the 'Expected Outcomes' (at the time of execution of work) and measurement of 'Actual Outcomes' (at the time of closure of a work) w.e.f. 1st September 2014. For the assets where it is difficult to assess and quantify the outcomes, States were requested to record a qualitative note on the expected and actual outcomes. This outcome-based asset planning in rural areas, if properly planned and executed would result in the creation of better assets and in the reduction in wasteful public expenditure to a large extent. To make this a reality, the need of the hour is to ensure detailed and systematic technical planning, positioning adequate technical staff at the worksite, intensive training and capacity building of technical and administrative personnel on works planning and their execution and rightful convergence of MGNREGA activities with the schemes of other line departments. Further, to get the appropriate economic return on the assets created under MGNREGA, we need to frame standardised quality parameters for public works permissible under MGNREGA and raise a cadre of quality monitors both at the National and State level to guide and supervise the quality, usability and durability of the assets so created under the programme.

Delay in payment of wages:

The Act mandates that the payment of wages would be made to workers within 15 days from the work done but it is rarely adhered to by the programme implementing agencies. On an average, around 40% of the total wage payments are delayed for more than 15 days. In some cases the delay is even more than three months. Reasons for such delays vary from adequate and timely availability of funds with the implementing agencies to delay in work measurement, computerisation of records and generation of wage list/fund transfer orders. As MGNREGA processes are linked to the data entry into the programme MIS, lack of internet connectivity at the GP levels in many States, create delays in completing the implementation loop from opening up of works to payment of wages. In addition, though the payment of wages are mandated to be transferred to individual savings accounts of the workers in relevant banks/post offices, all such banks/post officers are not on core banking system which in turn affects the payment of wages well within the stipulated 15 days. Though efforts have been initiated by

the central government to fix responsibility and ensure accountability in the delay in wage payments to the workers, an integrated approach, starting from timely work measurement at the worksite to the preparation of payment slips and fund transfer orders, is required to ensure timely disbursement of wages to the workers.

Transparency and Accountability:

Though Social Audit has been made mandatory for all works executed under MGNREGA by laying detailed procedure in the Audit of Scheme Rules 2011 yet social audits in most of the States do not take place regularly. Most often the social audits so conducted in some States are not as per these rules. Only a few States have established the social audit units and appointed the directors. But these audit units have not been properly staffed and lacked requisite funds for regular conduct of social audits. Since Social Audit involves sharing of all the implementation related records with the public, States need to launch intensive training programme for youth stakeholders of this programme in the rural areas who would not only scrutinize the works done and payments made thereof, but also would monitor the quality of the social audits so conducted.

Convergence – the Need of the Hour?

The twin objectives of livelihood security and productive, durable and quality rural assets under MGNREGA can be achieved through appropriate facilitation of inter-departmental convergence between the permissible works under the Act and the development schemes of various line departments in the district. Land and watershed development, water conservation, flood and drought proofing activities promise to contribute greatly to the economic and ecological development of rural areas, particularly in drought-prone and dry land areas. While the objective of asset creation should take into account local needs and priorities, the construction of assets like irrigation, flood protection, water conservation etc., should tap the funds budgeted by sectoral departments of the States/districts concerned. Considering impending and emerging need to design and implement policy directives on convergence at the district/block/village level with the all-round co-operation of the district/Block level sectoral line departments, the Central Government has requested the States to design and implement State-specific convergence

plans. This convergence drive would not only pool in financial resources in the rural areas but also ensure adequate technical expertise and knowhow to ensure quality of the rural assets created.

Policy Guidance & Monitoring

The Act mandates the constitution of apex level programme advisory groups - Central Employment Guarantee Council (CEGC) at the National Level and State Employment Guarantee Council (SEGC) at the State level to not only to operationalize the provisions of the Act as contained in the MGNREGA Operational Guidelines but also to analyse the policy planning and implementation issues for their possible resolution. The CEGC in the centre and SEGCS in the States need to be constituted and their meetings convened frequently to identify policy and implementation issues on MGNREGA at the local, state and national level for focusing entitlements and livelihoods, covering processes and procedures, systems and institutions, achievement of scheme deliverables, techniques and technologies.

Concluding Remarks

MGNREGA, undoubtedly, broadens the occupational choices in the rural areas and assures generation of wage employment opportunity during the lean agriculture season. The rights-based and demand-driven approaches of this Act is an effective instrument for absorbing casual wage employment demand and for enriching the rural economy by creating quality and durable community assets. Considering the significance of this wage-employment initiative, the present Government at the Centre has called for a close, dedicated and effective execution of the programme provisions at the grass-root level. The effective and just execution of this Act demands resolution of various demand and supply side rigidities in programme implementation. Further, a synchronised approach is needed to ensure rightful convergence of other on-going development intervention with the benefits of this employment generating and rural infrastructure-building initiative without undermining its demand driven nature of implementation.

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ACCELERATING RURAL EMPLOYMENT GENERATION

Etali Sarmah and Bedanga Bordoloi

The shift from agriculture to industry and services is the normal transformation accompanying India's unfolding economic development. However, this economic transformation has come at the cost of lags in agriculture's productive capacity and rural living standards.

The proportion of wage and salaried workers continues to be low, with only 22.5 per cent of workers in India receiving a wage/salary in 2013.

Sustainable development seeks to meet the needs of the present generation and improve the ability of future generations to meet their own needs. Today, India faces persistent poverty and inequality despite burgeoning growth. According to World Bank, 872.3 million people live below the new poverty line globally, of which 179.6 million people lived in India. In other words, India with 17.5% of total world's population had 20.6% share of world's poorest in 2013. India's GDP has increased six-fold, between 1988 (\$0.3 trillion) and 2013 (\$1.877 trillion) but its poverty rate only decreased from 53.59% (in 1988) to 21.9% (in 2013), underscoring the need of the present generation for poverty reduction policies and

calls for accelerating employment generation. Rural India -home to the India's poor – has actually a considerable potential to drive growth, create jobs, fair and balance development and create disaster resilience.

Shift in Employment

The shift from agriculture to industry and services is the normal transformation accompanying India's unfolding economic development. However, this economic transformation has come at the cost of lags in agriculture's productive capacity and rural living standards. The unemployment rate in rural India is 1.7 per cent and in urban areas 3.4 per cent, according to the latest survey results of 2011-12 carried out by the



National Sample Survey Organization (NSSO). About 33.7 crore and 13.7 crore people were working in rural and urban India respectively, while the corresponding figure for the unemployed was 0.62 crore and 0.44 crore respectively. Female employees, both rural and urban, received less remuneration than their male counterparts for doing similar jobs. The average daily wage in urban areas stood at `365, against `232 in rural areas. While 51% of the country's total workforce are self-employed, only 15.5% are regular wagers or salaried employees and 33.5% casual labourers. The number of people self-employed is higher in rural areas at about 54.2%, against 41.4% in urban areas. In India, the unemployment rate measures the number of people actively looking for a job as a percentage of the labour force. According to the unemployment records kept by the Ministry of Labour and Employment of India, from 1983 till 2011, the unemployment rates in India averaged 7.6 per cent reaching an all-time high of 9.4 per cent in December 2010 and a record low of 3.8 Per cent in December 2011.

Rate

Rural unemployment rate was lowest in Gujarat followed by Madhya Pradesh and Rajasthan in both 2011-12 and 2004-05. The rural unemployment rate of 3 per thousand in 2011-12 in Gujarat was much below the 17 per thousand all India average. While Kerala's unemployment rate (both urban and rural) has fallen in 2011-12, it is still the highest. This could be due to unemployment of educated particularly women who are in search of the right job. This is also indicated in the lower labour force participation rate (LFPR) of females in the age group 15-59 years, with the LFPR of rural females being lower than the all India average. After Kerala, Assam followed by Bihar, West Bengal, Haryana and Odisha had high rural unemployment and Bihar followed by West Bengal, Andhra Pradesh and Haryana had high urban unemployment.

The count of people being without a job is on the rise in India as economic slowdown and slower business expansion activities cast a shadow on employment generation. Indicating

sluggishness in the country's job market, the International Labour Organization (ILO) has said in its recent report ' **Global Employment Trends 2014** ' that the unemployment scenario in India over the last two years has been showing a rising trend (3.5% in 2011; 3.6% in 2012; 3.7% in 2013 and 3.8% in 2014)

Indian growth needs to be more balanced and diverse, so that no environment is overstrained by a crowding of economic activities in cities, or by focusing on agriculture only in the rural areas. There is a need to tap into a number of rural employment reservoirs, including: agribusiness industry and services; labour-intensive irrigation and construction schemes; environmental protection activities; eco- and ethnic tourism; local renewable energy production and ICT. In the European Union, nearly 15 million jobs protect biodiversity and rehabilitate natural resources, while China is creating millions of jobs in forest management alone. In India the potential is even greater, and we are moving in the right direction.

Employment has been a key consideration in the Indian economic policy discourse. Few of the important Government of India schemes that have been implemented with focus on rural employment acceleration are illustrated in **Table 1.1**.

Importance of employment generation in the narrative of policies has lagged behind its relevance in development plans and India has made little progress in structural reform of the labour market.

Sluggish headway in structural makeover

In most states of India, informality, in all of its forms, persists as the norm. Though the share of workers in the informal sector has fallen from 86.3 per cent in 2004/05 to 82.2 per cent in 2011/12, the **proportion of informal workers in the formal sector has increased**. In other words, new jobs are being created in larger, registered firms; however, these jobs are often without regular employment relationships and benefits as a result of the increasing use of contracted and casual labour.

Table 1.1: Indicative list of previous schemes implemented by Government of India with focus on rural employment

Year	Scheme	Focus Area
1973	Crash Scheme of Rural Employment (CSRE) ¹	Rural employment
1977	Integrated Rural Development Programme (IRDP)	Self-employment programme for poverty alleviation in rural areas
1978	Food for Work	Creation of additional employment in rural areas on works of durable utility to the community, with the use of surplus food grains available in the buffer stock for payment as wages.
1979	Training of Rural Youth for Self-Employment (TRYSEM) ⁶	Educational and vocational training
1982	Development of Women and Children in Rural Areas (DWCRA)	Sustainable opportunities of self-employment to the women belonging to the rural families who are living below the poverty line.
1983	Rural Landless Employment Guarantee Programme (RLEGP)	Employment to landless farmers and laborers
1989	Jawahar Rozgyar Yojana ⁶	Employment to rural unemployed
1999	Swarnajayanti Gram Swarojgar Yojana (SJGSY)	Self-employment in rural areas

Table 1.2 : Strategies to overcome the challenges of accelerating rural employment

Sl. No	Challenges	Strategies
1	Migration from rural to urban areas.	Government should step up their efforts to support skill and retraining activities to address the gaps between demand and supply of work skills and qualifications to address long-term unemployment.
2	Slowdown of global and local economy.	Deliver integrated project based infrastructure in the rural areas. Creation of additional employment in rural areas on works of durable utility to the community.
3	Lack of employment opportunities for skilled youth (mostly in the age group of 18-25 years)	There is a need to seriously invest and build skills amongst the youth. A complete overhaul of our education system closely integrating it with an effective apprenticeship regime.
4	Growing informal employment which counts for 94 per cent of the workforce.	Broad strategy and policy package for a gradual formalization of informal activities and measures carefully adjusted for different categories of informal workers: Empowering informal workers through promoting organizations of informal workers and representation of informal workers in policy-making and rule-setting bodies. Increasing the earnings and growth potential of informal workers, for example through vocational training.

The proportion of wage and salaried workers continues to be low, with only 22.5 per cent of workers in India receiving a wage/salary in 2013.

Self-employment continues to be common

for people in India; in 2013, 59 per cent were own-account workers. With the percentage of unpaid family workers, this yields a vulnerable employment share of 76.1 per cent, a figure that is only slightly down on previous years.

Table 1.3: Poverty Alleviation and Employment Generation initiatives of Government of India

Initiatives	Central outlay 2014-15	Focus
Aajeevika/National Rural Livelihood Mission (NRLM)	₹ 4,000 crore	Promoting diversified self-employment and wage employment.
National Institute of Rural Development (NIRD)	₹ 50.00 crore	Training, research, capacity building of rural development functionaries.
Council for Advancement of People's Action and Rural Technology (CAPART)	₹ 10.00 crore	Social mobilization, lowering of social barriers and empowerment of the rural poor.
Provision for Urban amenities in Rural Areas (PURA)	₹ 50.00 crore	Stem rural urban migration/ Distress migration
Management Support to Rural Development Programmes and strengthening of district planning process	₹ 130.00 crore	Training and skill development
Village Entrepreneurship 'Start-up' Programme	₹ 100.00 crore	Encourage rural youth to take up local entrepreneurship programs.
RURBAN Mission	₹ 100.00 crore	Stem rural urban migration.
Skill Empowerment and Employment in J&K (SEE J&K) 'Himayat'	₹ 235 crore (2011-2016)	Training and placement of 1 lakh J&K youth in the next 5 years.
Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	₹ 34000.00 crore	Wage employment to every rural household.

Another manifestation of the slow structural transformation is **the continuing high share of workers in the agricultural sector**. Presently approximately 47 per cent of workers in India still make a living in agriculture.

The labour markets in India continue to be dominated by informal and agricultural employment, where jobs are generally poorly paid and unprotected. Looking at some of the key labour market indicators reveals part of the problem.

Labour force participation rates in India are amongst the lowest in the world. Low female labour participation rates have been a structural problem in India for long and the recent decline (fell nearly seven percentage points to 22.5% between 2004-05 and 2011-12) means the country has among the

lowest proportions of working women. India ranks 10th from the bottom among countries ranked according to their female labour force participation rate.

The participation rate of youth in India has fallen in recent years, reaching 39.6 per cent in 2013, which reflects increased education enrolment, especially in secondary schooling. Employment growth has been stronger in recent years (at 1.1 per cent in 2011 and 2012, and 1.0 per cent estimate for 2013), most notably for women.

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Rural unemployment rate was lowest in Gujarat followed by Madhya Pradesh and Rajasthan in both 2011-12 and 2004-05. The rural unemployment rate of 3 per thousand in 2011-12 in Gujarat was much below the 17 per thousand all India average.

IMPACT OF MGNREGA ON EMPLOYMENT GENERATION AND CAPITAL FORMATION

Dr. Mahi Pal

Poverty alleviation has been one of the objectives of the employment generation programmes in India since independence. To achieve this objective, various wage-employment programmes have been initiated by the Government of India during various plans. However, these programmes could not make adequate dent on unemployment in the countryside because the problems of seasonality in employment and underemployment/under employment of unemployment, remained unsolved. In order to overcome all these problems, Government of India introduced Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005. Its introduction was a paradigm shift in India's history of wage-employment generation with the unparalleled attributes such as bottom up approach, right based design, demand driven, self-selecting. It is the country's largest wage-employment programme ever launched with 25 per cent of all rural households participating and an annual central government

expenditure of about 0.5 per cent of GDP. The Main objective of the MGNREGA is to provide at least 100 days work as per demand resulting in creation of productive assets of prescribed quality and durability. This article besides dealing with these two objectives of the Programme also gives an insight into the recent initiative taken up for further improvement in the implementation of the Act.

Employment Generation

Employment generation is one of the main objectives of MGNREGA. Table 1 shows the employment benefits reached to SCs, STs and women from 2009-10 to 2013-14. MGNREGA has provided wage-employment with an average of 43-54 person days of employment per household in rural area. The Act also provided employment to vulnerable sections of rural India like SCs, STs and women. SCs and STs both together got more than 50 percent of person days generated from



2009-10 to 2013-14. However, out of these two categories SCs got more than STs employment under MGNREGA. Employment generated for SCs was 31 per cent and 30 per cent during 2009-10 and 2010-11, respectively. However, from 2011-13 to 2013-14, employment for them stagnated to 22 per cent except 2013-14 whereas its percentage is 23. In case of STs, except 2009-10 and 2010-11 where their share to total employment generated was 21 per cent. However, subsequent years, their having a descending trends as table shows. In case of women (women are expected to be at least one-third of total), their share has been showing an increasing trend.

Possible Reasons for the differences between jobs demanded and jobs provided

Let us throw some light from field studies. NSSO conducted a study on Employment and underemployment Situation in India -2009-10 (NSS 66th Round) which shows that a high percentage of SCs, STs, mostly, labourers and poor of India registered under MGNREGA nation wide. But most of the demand among workers in poorer states went unmet due to various reasons. To give response to this, the India Rural Development Report 2012/13 conducted a study of 811 household spreads in 23 villages of 8 states. The States have been grouped in three categories according to poverty level. Villages from Kerala, Andhra Pradesh and Rajasthan with poverty less than the national average are in category I. Five other states where poverty levels are more than the national level have been divided into two groups namely, villages from high poverty region of Bundelkhand in Madhya Pradesh and Chhattisgarh as category II and the villages from Palamau and Gaya district where poverty is acute and deprivation is very high and are also under Maoist influence.

Issues relating to leakages and corruption are adversely affecting the programme. India Rural Development Report 2012/13 provides such instances in the states of Uttar Pradesh, Madhya Pradesh and Bihar where people reported of giving bribe to officials and the Sarpanch. Funds under the Schemes have also been taken illegally by using machines. Interestingly Report says that

in some villages of Chhattisgarh and Karnataka every one including officials colluded – all officials stayed home, while work undertaken remained only on paper.

Poor transparency and accountability and lack of capacity on the part of Panchayats which are expected to be principal authorities for the implementation of the Programme is another reason for this.

Lack of awareness among villagers about the provisions of the Act and not using proper IEC strategy for awareness building is another factor which is responsible for lacuna.

The Report No. 6 of Performance Audit of MGNREGS revealed that in the test checks GPs, in more than 47, 687 cases, the beneficiaries neither provided employment on demand nor received unemployment allowance. Insult to injury was added by the fact that non-maintenance or incorrect maintenance of basic records was noticed in 18 to 54 per cent of test checked GPs. Non-adherence of statutory 60:40 wage and material ratio led to short generation of 15.03 crore person days during the audit period.

Capital Formation

Another important objective of the MGNREGA is to create durable assets in rural areas to strengthen livelihoods resource base from the list of permissible activities ranging from conservation of water and soil resources to rural connectivity. In fact, focus of these activities is to conserve and preserve the water and natural resources so that poverty may be removed on sustainable basis.

Let us discuss the pattern of assets emerged in last five years. The Annexure 2 depicts the status of assets created from 2009-10 to 2013-14. Interestingly none of the year except 2010-11 not even 50 per cent of total assets in that year was completed. so much so that during 2012-13 and 2013-14 not even one quarter of total work undertaken was completed.

If we see category-wise assets, we find that maximum number of works taken up was related to water conservation. It ranges from 34 per cent in 2013-14 to 60 per cent in 2011-12. But at the same

time, it may be observed that except in year 2011-12, it has a decreasing trend. It may be explained in two ways. First, the water conservation activities are getting exhausted. Secondly, focus on this type of activity is shifting to other activities. This followed by the activity of provision of irrigation facility to land owned by SC/ST/BPL and IAY beneficiaries. This activity accounts for 71 per cent of total works undertaken in 2009-10. However, in subsequent years, its share is depleting. It may again be due to exhaustion of the possible potential in this activity. Rural connectivity (RC) is also major activity under taken during different years. It is followed by land development. But if we go with order of priority of permissible activities, land development should be preceded by the rural connectivity because RC is not for conservation of water and soil resources in the country side. It is happened on account of lack of awareness among implementers of the programme. Other activities have been included in the list of activities from time to time and their share is not much as compared to activities described above.

Audit Report referred to above also noticed the severity of the problem which is evident from the fact that works of Rs. 2,252.43 crore which were undertaken under the scheme were not permissible. Further, 7, 69,575 works amounting to Rs. 4,070.76 crore were incomplete even after one to five years. Not only this, the Audit Report had taken a note of the fact that expenditure on works amounting Rs.6,547.35 crore did not result in creation of durable assets. These examples show the magnitude of what was prescribed and what was practiced at cutting edge level.

Now two issues are very important in the context of works under taken under MGNREGA. First, reason for incomplete works and second quality of assets. We are discussing them briefly one by one.

Reasons for incomplete works

- Main reasons for dismal performance of the works completed are given below.
- Irregular flow of funds from states to implementing agencies.
- Upward revision of wage- rate increased the cost of the projects in terms of increasing cost

of the project. The project can only be taken after approval of rate. As it takes time which resulted delay in completion of works.

- Lack of proper planning and scheduling of work with people's participation. In fact, in case of water and soil conservation meticulous planning is needed otherwise if rains happened entire works done on this would go to dogs.

Quality of Assets

The assessment of the performance of the assets created under MGNREGA have positively impacted of the buildings sustained resource base at local level. Shilp Verma and Tushaar Shah in their study in 2012 in case of water assets across 75 villages spread in Bihar, Gujarat, Kerala and Rajasthan found out that 117 assets recovered their investment within a single year of use , demonstrating the potential of MGNREGS. The author himself seen that land development activity has increased the production of various crops. In a similar way, there might be a number of success stories across the states in this regard.

However, all is not well. Numerous examples also show that assets created are not adequate to the requirement of the poor. Hemant Kumar Shah and Paulomee Mistry in their study in 2012 revealed that a study of Gujarat governments' initiative for construction of over 2.60 lakh *boribandhs* (tiny dams using sand bags) found that 86 per cent of the bandhs were partially or fully damaged due to failure to consider local needs . On the other side , where villagers took interest and received help from capable local administration constructed assets in satisfactory quality. Besides, field level experiences show that the activities undertaken under MGNREGA improved the resource base at local level and have instrumental in increasing the agricultural productivity. The field level studies revealed that where community owns the community resources, impact of MGNREGA is positive and assets are also sustained and where there is no social capital there assets created under MGNREGA did not make much impact.

Recent Initiatives for further improvement of the implementation of the Act

- In order to identify useful and productive works, a detailed participatory planning exercise has

been started in 2500 backward blocks of the country.

- Schedule-I of MGNREGA has been amended making it mandatory that at least 60% of total expenditure shall be made for creating assets which are directly benefiting agricultural and allied activity.
- Unit for reckoning wage –material ratio for all non- Gram Panchayat works has been kept at district level, allowing for taking up more material intensive, bigger and durable works.
- Format of Intensive Participatory Planning Exercise (IPPE) manual was prepared. State Level Resource Team formed for all the States. IPPE training has been started.
- IWMP Guidelines issued on watershed management works taken up independently under MGNREGA or in convergence with IWMP.
- 15 days training for appropriate technology for mansion has been started at NIRD, Hyderabad.
- To facilitate states to engage technical assistants/ barefoot engineers for better technical planning and supervision of works under MGNREGA, guidelines issued to allow their establishment cost as a part of material cost of works instead of administrative cost.
- During Financial Year 2013-14, 0.58 percentage of the total expenditure was used for administrative costs at the Gram Panchayat(GP) levels. This shows imbalance, indicating that adequate funds are not being used to employ the core staff, leading to gaps in technical supervision. To rectify this situation, States have been directed to utilize 2.5 percent at GP level, 2 percent Block level, 1 percent, District level and 0.25 percent at state level of total expenditure as administrative expenses and at least an amount equal to 0.25 percentage of the

total expenditure should be used for capacity building of MGNREGS functionaries.

- With a view to integrate 477 identified blocks which either have no IT connectivity or broadband connection in the e-FMS network, it has been decided that these blocks will be connected through VSATs using the bandwidth available with Common Services Centres-Special Purpose Vehicle.
- State Convergence Plan prepared by five States has been ratified by the Ministry of Rural Development
- It is expected that these initiatives will further improve the implementation of MGNREGS at local level which in turn not only strengthens the resource base of livelihoods support for villagers but also further deepens the grassroots democracy.

Conclusion

To conclude, MGNREGA has not only created employment opportunities in rural areas but also created durable assets which in turn further improved resource base for livelihoods of rural people. Besides, MGNREGA has also strengthened rural local governments as these are principal authorities to implement the Act. However, there are some deficiencies in the implementation of the Act as revealed by various studies, evaluations and audit reports. Adequate care has also been taken to rectify these deficiencies from time to time. The recent initiatives taken in this regard will further improve the implementation of the Act in the rural areas of the country. It is expected that there would be better implementation of the Act in the days ahead.

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Andhra Pradesh is the only state which has provided employment to all who demanded the jobs. However, all the states except Arunchal Pradesh, Bihar, Chhattisgarh, Himachal Pradesh, Karnataka, Kerala, Odisha, Rajasthan and Uttar Pradesh could not provide employment to all who have demanded.

EFFECTIVE IMPLEMENTATION OF MGNREGA VITAL FOR SOCIAL SECURITY OF THE POOR

Dr. Harender Raj Gautam and Dr. H.L. Sharma

The Ministry of Rural Development proposes to change the material-wage ratio of the scheme from 60:40 to 49:51 with a view to encouraging value addition

Social security net is important to give a cushion to the poor, underprivileged and marginalized sections of the society so that they are also able to taste the fruit of development. The Centre's expenditure on social services as a percentage of total spent rose to 12.83 per cent in 2013-14 from 11.83 per cent in the previous year. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has really given a cushion to the most disadvantaged and needy people of our society against poverty and hunger. On an average, 25 per cent of the rural households seek employment under the Act, annually. The scheme has made an impact on the lives of the people in the rural areas.

International Recognition of Impact of the Scheme

The World Development Report 2014 has described the Mahatma Gandhi National Rural

Employment Guarantee Act as a "stellar example of rural development". The Annual Report credits the government's flagship rural employment programme for not just unleashing a "revolution in rural India" but establishing a model of inclusive development. *United Nations Development Programme's* Human Development Report for 2014 also indicates that this kind of social net would have multiple benefits in the human development. It is because MGNREGA has provided basic income security to a large number of beneficiaries across all deserving underprivileged strata of our society. International Food Policy Research Institute (IFPRI) has also done a study in collaboration with the World Bank and International Initiative of Impact Evaluation and found a positive impact of MGNREGA on the short- and medium-term welfare and poverty effects of participating communities in Andhra Pradesh. On an average, it provides employment to around 5 crore households,



every year. Since the inception of this scheme, 1575 crore person days of employment have been generated upto December, 2013 and over Rs. 1,55,000 crore has been spent on wages. Such social security and poverty alleviation programmes would protect the gains that have been made in human development and also accelerate India's growth.

The Parliament approved the historic legislation, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005 which was notified on 7th September, 2005. The Act provides a legal guarantee of at least 100 days of wage employment in every financial year to every rural household whose adult members volunteer to do unskilled manual work. The Act was implemented in 200 districts in first phase with effect from 2nd February, 2006. Additional 130 districts of the country were covered in the second phase during 2007-2008. All the remaining rural areas/districts of the country have been brought under Mahatma Gandhi NREGA with effect from April 1, 2008. This scheme promises 100 days of work in a year to every rural household. Keeping in view the magnitude of this scheme in the entire country, there may be some shortcomings in its implementation, which are bound to happen. In the case of this scheme also, reports pour in from different parts of the country regarding the poor quality of assets being created, misappropriation of funds and delay in wage payments to the workers. But, to tackle such problems simultaneous complaint redressal systems are also in place and at some places Non Government Organizations have been entrusted the task of social audit. The Ministry has notified, in consultation with the Comptroller & Auditor General of India, The Mahatma Gandhi NREG Audits of Schemes Rules, 2011. It aims to encourage public participation in the implementation of the Mahatma Gandhi NREGS leading to strengthening of the programme.

Need to Widen the Scope of the Scheme

Long-term schemes like MGNREGA require changes in the mode of implementation keeping in view the feedback from the beneficiaries and various implementing agencies for better implementation and higher efficiency. In 2012, Union Ministry for Rural Development notified 30 new works under MGNREGA, majority of which are related to agricultural and allied activities. In addition, some

of these works will also facilitate rural sanitation projects in a major way. The works have been divided into 10 broad categories like Watershed, Irrigation and Flood management works, Agricultural and Livestock related works, Fisheries and works in coastal areas and the Rural Drinking water and Sanitation related works. Specifically, agriculture related works, such as composting, vermi-composting and liquid bio-manures can be taken. In livestock and fisheries related works, such as poultry shelter, goat shelter, construction of pucca (paved) floor, urine tank and fodder trough for cattle-shed, and azolla as cattle-feed supplement can be taken. In a dairy related work, animal productivity and health can be enhanced and in turn this will help to reduce the cost of production per litre of milk. Widening the horizons of this scheme, preventing natural hazard related works such as fish drying yards and belt vegetation in coastal areas have also been prioritized. In Further, recharging groundwater related works, such as soak pits and recharge pits have also been included. It is also decided that the priority of the works will be decided by the Gram Panchayats in meetings of the Gram Sabhas and the Ward Sabhas. Present Central Government had indicated that the scheme would have to undergo changes and focus more on asset creation in rural India. The outlay for the scheme in 2013-14 was Rs. 33,000 crore, compared to Rs. 29,387 crore a year before, although it is still less than allocation of Rs. 35,841 crore in 2010-11. In a major revamp of this employment guarantee scheme, the Ministry of Rural Development has proposed to make it mandatory for States to spend at least 60 per cent of the MGNREGA money on creating infrastructure linked to agriculture. This is expected to bring at least Rs 25,000 crore of investment into agriculture. The Indian Council of Agricultural Research (ICAR) had identified 50 districts for launching technological interventions by Krishi Vigyan Kendras (KVKs) on a pilot basis. These included operations like water harvesting, digging farm ponds, rooftop rainwater harvesting, drought proofing, micro-irrigation and renovation of traditional water bodies. These activities would certainly go into much needed asset creations in agriculture. As part of the amendments proposed in the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), the ministry will delegate funds at the district level so that larger works like creation

of minor irrigation structures could be undertaken besides providing for a dedicated fund equivalent to 3 per cent of the MGNREGA money to recruit technical manpower who will guide in planning and execution of works under the scheme. Present Central Government feels that the scheme needs to be more outcome oriented on all fronts, be it creating quality assets or payment of wages. To ensure better implementation of the scheme, the ministry is in the process of engaging a remote sensing organisation and use space technology to oversee the progress of the scheme.

In the present format of the scheme, there is a provision of wage material ratio of 60:40 but only 28 per cent is utilised in the material component under the scheme against the allotted 40 per cent. The ministry estimates that these unutilised funds to the tune of 12 per cent at the district level will fetch approximately Rs 8,000 crore that can then be utilised to create bigger assets. Further, as per the proposal sent to States, the ministry has already moved a note to the department of expenditure seeking approval to set aside Rs 1,200 crore for hiring technical staff who would guide in the planning and execution of MGNREGA works. Further, the Ministry of Rural Development proposes to change the material-wage ratio of the scheme from 60:40 to 49:51 with a view to encouraging value addition.

Impact of the Scheme on Poor, Marginalized and Underprivileged Sections

MGNREGA has been able to benefit the marginalized and underprivileged sections of the society. Evidence suggests high participation from marginalised groups including the Scheduled Castes (SCs) and Scheduled Tribes (STs). At the national level, the share of SCs and STs in the work provided under MGNREGA has been high and ranged between 40 to 60 per cent across each of the years of the Scheme's implementation. SCs and STs participation rate in the Scheme exceeds the percentage share in the total population in most states. Other significant contribution of this scheme is the women participation rate which has ranged between 40-51 per cent of the total person-days generated, much above the statutory minimum requirement of 33 per cent. The works undertaken in this scheme give priority to activities related to water harvesting, groundwater recharge, drought-

proofing, and flood protection. It focuses on eco-restoration and sustainable livelihoods have led over time, to an increase in land productivity. As almost 53 per cent works relate to soil and water conservation, the main focus of the scheme is on regenerating the rural ecosystem and creating rural infrastructure that supports sustainable livelihoods. Provision of water is vital for agriculture and ensuring food and water security in rural India. Research suggests that water-related assets created under this scheme have increased the number of days in a year water is available and also the quantity of water available for irrigation. The increased availability of water has also led to changes in crop patterns and increased area under cultivation according to some studies.

Need for Effective Implementation

There are still lot of problems in the implementation of MGNREGA. Still, it has not reached the poor and needy due to apathy of the implementing agencies. Report of the Comptroller and Auditor General (CAG) of India, covering the period April 2007 to March 2012, says that although Bihar, Maharashtra and Uttar Pradesh account for 46 per cent of India's rural poor but these states used only 20 per cent of the funds spent nationally. CAG has highlighted gross irregularities in the scheme in many states apart from an overall decline in the rural employment (per household) from 54 days in 2009-10 to 43 days in 2011-12. States like Haryana, Maharashtra, Punjab, Rajasthan and UP are yet to formulate rules for the implementation. The report further states that the low awareness levels in several states prevented the beneficiaries from fully claiming their rights under this demand-driven programme. The report implies that with better execution, the programme could have made a difference to the lives of the country's poorest people for whom it was designed. The programme still awaits an evaluation and monitoring system that was to have been set up by the central employment guarantee council – a statutory body headed by the rural development minister. As per the government statistics regarding the state wise implementation of MGNREGA, Tripura has emerged as the best state in implementation of the scheme by generating highest figure of 87 per cent mandays in 2013-2014. South Tripura district set an all India record by generating 97.44 per cent mandays. Earlier in the year 2012-2013 also Tripura had won the first prize in MGNREGA implementation and the Unakoti

district had been conferred the best implementing district in the country by generating 92 per cent man days. Another north-eastern state Sikkim could generate 64 per cent mandays. The national average of mandays generation is 44 per cent. The South Tripura district is all set to obtain the best district award in 2013-2014 in terms of mandays generation. While neighbouring state Assam got the 28th position with 23.6 per cent man days, West Bengal stands at 21st position with 37.0 mandays.

Future Thrust

MGNREGA can be an effective social security net to the poor in India if it is strengthened and its implementation is effective with effective governance like Right To Information Act. The works being undertaken under this scheme can make a significant contribution to increase in the agricultural production in the country. In such works, foodgrain storage at village/Panchayat level should also be prioritized with the help of public distribution department of the state government. As the Central Government is now giving more emphasis on infrastructure creation, agro-food processing should also get priority. Such measures will create more man

days to work for the people in rural areas. As many agriculture related works have been included in the list of this scheme, Central Government should also rope in vast network of Krishi Vigyan Kendras in the country in effective implementation of this scheme. Further, there is need for convergence of major programmes of poverty alleviation like National Food Security Act so that the effect on an individual family can be measured. If we target every poor family continuously with umbrella of programmes like MGNREGA, National Food Security Act, Sarva Shiksha Abhiyan, Indira Awas Yojana and other programmes aimed at malnutrition of children and women, the poor will certainly come out from the curse of poverty and will prove more useful resource in the development of this country.

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RURAL WAGE EMPLOYMENT- A CRITICAL REVIEW

Dr. Arobindo Mahato

Securing livelihood in developing country like India is one of the major challenges, while dreaming towards becoming a developed country. Different forms of unemployment make people uncomfortable in nature, which is leading towards various psycho-analytical problems. But it is getting its extreme shape of frictional unemployment due to under-employment or disguised unemployment in the rural areas of India.

The status of employment and unemployment with various forms in rural part of India are as follows:

Rural Labour force:

Persons who are either employed or unemployed or both during a major part of any reference period, constitute the labour force.

The labour force is the actual number of people available for work.

Table 1: Labour Force Participation Rate (per 1000) for persons of age 15 years & above according to usual principal status (UPS) approach for Rural India

Male	Female	Person
788	280	548

Source: 3rd annual Employment-unemployment Survey 2012-2013, MoL & E, GoI

Table 1 and Employment-unemployment Survey 2012-2013, MoL & E, GoI reflected that in the rural sector the LFPR is estimated to be 54.8 per cent whereas 47.2 per cent in the urban sector under the UPS approach. India is experiencing a strange dichotomy of not having sufficient jobs on one hand and not enough skilled workers on the

Table 2: Per 1000 distribution for persons of age 15 years & above by broad activity status according to UPS approaches in rural part of India

Employed			Unemployed			Not in Labour force		
Male	Female	Person	Male	Female	Person	Male	Female	Person
766	265	529	22	16	19	212	720	452

Source: 3rd annual Employment-unemployment Survey 2012-2013, MoL & E, GoI



other -- making labour force the biggest challenge for the country.

Employment in Rural India

People who are engaged in any economic activity for more than 183 days in a reference year are considered as employed according to Usual Principal Status (UPS) approach. Unpaid helpers who assist in the operation of an economic activity in the household, farm or non- farm activities are also considered as workers.

Employment - unemployment Survey 2012-2013, MoL & E, Gol, reflected that In rural areas, unemployment rate is 3.4 per cent whereas in urban areas, the same is 5.0 per cent under the UPS approach. Most of the employment-unemployment surveys results show that majority of the persons are employed in the primary sector such as Agriculture, forestry and fishing sector etc. and these populations generally belong to rural areas of India. Therefore though the employed persons in rural India are more than 50% but they are in unorganised sector, where wage rate is really very low.

Self-employment in Rural India:

Persons who operate their own enterprises or are engaged independently in a profession or with one or a few partners are self-employed. In rural areas they basically engaged in farm or non-farm trade and their remuneration is determined wholly or mainly by sales or profits of the goods or services which are produced. The self-employed persons basically have autonomy regarding how, where and when to produce and economic independence regarding market, scale of operation and money for their labour and profit of the enterprise. Due to high population in rural India, those who are self employed are having limited number of enterprise frame. It is basically the less number of items in demand led by the simple life style.

Unemployment in Rural India

People who want work but not get work either through employment exchanges, intermediaries, friends or relatives or by making applications to prospective employers are considered as

unemployed. Basically those who are seeking or available for work but not getting are known as unemployed.

Table 2: Unemployment Rate (per 1000) for persons of age 15 years & above according to usual principal status approach (ps) for rural part of India

Male	Female	Person
27	56	34

Source: 3rd annual Employment-unemployment Survey 2012-2013, MoL & E, Gol

Unemployment Rate (UR) is defined as the number of persons unemployed per 1000 persons in the labour force (employed & unemployed). In India, the unemployment rate measures the number of people actively looking for a job as a percentage of the labour force. Table 2 reflects that Unemployment rate is 34 in 1000 population in rural parts of India. Unemployment Rate in India decreased to 5.20 percent in 2012 from 6.30 percent in 2011. Unemployment Rate in India averaged 7.58 Percent from 1983 until 2012, reaching an all time high of 9.40 Percent in 2009 and a record low of 5.20 Percent in 2012. Unemployment Rate in India is reported by the Ministry of Labour and Employment.

India is experiencing a strange dichotomy of not having sufficient jobs on one hand and not enough skilled workers on the other

Though the employment rate has increased and unemployment rate has decreased in last few years but problem exists in another form of employment such as under-employment, disguised employment.

Under-employment in Rural India:

Underemployment is commonly defined as the under-utilisation of labour time of the workers. Here the wage rate is not given according to skill, work and market economy. It's basically because of a consequence shortage of capital equipment, technology, and other required resources. People may not have work for all the days but not getting appropriate wage rate. By the Ministry of Labour and Employment, though some data is collected on the basis of weekly work status but doesn't capture the actual data of under-employment. In rural part of country, the industrial or mechanised resources

Table-I
Rural Wage Employment Programmes in India: At a glance

Year	Name of the Programme	Brief Description of the Programme
1960-61	Rural Manpower Programme (RMP)	The programme was set up for better utilisation of the unemployed and under-employed rural manpower, comprehensive works programme was proposed
1971-72	Crash Scheme for Rural employment (CSRE)	The objective of the scheme was to do rural employment. It is intended to provide employment to persons belonging to family where no adult is employed or which suffer from inadequate employment.
1972	Drought Prone Area Programme (DPAP)	The basic objective of the programme is to minimise the adverse effects of drought on production of crops and livestock and productivity of land, water and human resources ultimately leading to drought proofing of the affected areas.
1974-75	Small Farmers Development Agency (SFDA)	The programme was set up to investigate and identify the problems of small farmers, and ensure technical and financial assistance to small farmers
1973-74	Marginal Farmers & Agricultural Labour Scheme (MFALS)	The Programme was aimed for technical and financial assistance to marginal and small farmers and agricultural labour in maximum productive use of their small holding and skills by undertaking animal husbandry, horticulture, etc.
1977-78	Food for Work Programme (FWP)	The programme was set up to Providing food grains to labour for the works of development
1980	National Rural Employment Programme (NREP)	The programme was set up to provide profitable employment opportunities to the rural poor. It was expected to increase mandays per annum, create durable community assets, and improve nutritional status and living standards of the poor.
1983	Rural Landless Employment Guarantee Programme (RLEGP)	The Programme was aimed for providing employment to landless farmers and labourers
1993-94	Jawahar Rozgar Yojana (JRY)	The programmes aimed to provide employment to rural unemployed. It is a poverty alleviation scheme, which falls under the category of works program for creation of supplementary employment opportunities.
1993	Employment Assurance Scheme (EAS)	The objective of the programme was to provide employment of at least 100 days in a year in each village
1999-2000	Rural infrastructure programme (RIP)	The programme was set up for making actions in rural infrastructure. It was proposed in the areas of irrigation, rural housing, rural water supply, rural electrification and rural telecommunication connectivity.
2001-02	Sampoorna Grameen Rozgar Yojana (SGRY)	It was a rural development programme that aimed to provide employment and food security to rural poor who lived below the poverty line.
2004	National Food for Work (NFWP)	It was a rural employment programme to intensify the generation of supplementary wage employment. The programme was open to all rural poor who are prepared to do manual, unskilled labour.
1977	Maharashtra Employment Guarantee Scheme (MEGS)	It was a wage employment programme, implemented by Maharashtra State Governments with Central assistance, with the objective to provide enhance livelihood security, especially of those dependent on casual manual labour.
1977	Maharashtra Employment Guarantee Act (MEGA)	It was a wage employment act which was self-targeting, implemented by Maharashtra State Governments with Central assistance to provide wage employment to those who demanded it.
2006	Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	The MGNREGA is a legal guarantee that people can use to secure their entitlement of wage employment. It holds the Government responsible for making this employment available to the people. In 2014 current budget year decision has been taken to use MGNAREGA programmes towards asset creation along with job creation.

are really less so many people are forced to work at under wage rate.

Disguised unemployment in Rural India:

Disguised unemployment exists where part of the labour force is working in a redundant manner where worker productivity is essentially zero. An economy demonstrates disguised unemployment where productivity is low and where too many workers are filling too few jobs. Basically, where labour time is not fully utilised is known as disguised unemployment. In agro-economic and rural based India 71% population depends on agriculture and only 15% contribute to country's GDP. It also reflects that huge number of people involved in agriculture activity but production is not proportionate to wage involved. Basically in country like India where livelihood maintenance is really challenging and population is increasing rapidly, it leads to high number of people dependency on low size of land for agriculture production.

To overcome the various problems and stimulate the positive employment programs wage is the key variable that balance employment-unemployment in rural India. Hence in view of evolving a mechanism to supplement existing livelihood sources in rural areas was recognised early in development planning in India. The Government has implemented wage employment programmes that offered wage employment on public works on minimum wages.

The wage employment programmes of India from the initial planning phase are chronologically shown in table-1.

Concluding Remarks:

To develop the rural wage employment and development scenario government has adopted various multipronged strategies along with the above mentioned programmes. For example, the Bharat Nirman programme addresses gaps in rural infrastructure and covers irrigation, road connectivity, housing, water supply, electrification, and telecommunication connectivity; the National Rural Employment Guarantee Act (NREGA) attempts to ensure a social safety net as it provides minimum guaranteed employment in rural areas and at the same time has the capacity to build rural infrastructure especially if resources from other programmes are pooled in; the Sarva Shiksha Abhiyan and National Rural Health Mission along with presently launched financial inclusion programme, Pradhan Mantri Jana Dhana Yojana, where zero balance account will be opened by banks along with Rs. 1,00,000/- insurance are ambitious programmes for

overall development. All these programmes indicate the priority being given by the Government to Rural Development and are meant to give a new hope of light for ensuring livelihood and enhancing life style in rural India. While making these provisions for rural India, the new strategy of skill development will absolutely be able to give a boost towards securing livelihood and enhancing lifestyle in rural India. While the policy makers have made various recommendation and programs in India wages programmes and policy, there is need for further in-depth technical work to bring out the imperatives for a policy, or otherwise, on wages.

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Basically a situation where labour time is not fully utilised is known as disguised unemployment. In agro-economic and rural based India 71% population depends on agriculture and only 15% contribute to GDP.

Most of the employment-unemployment surveys results show that majority of the population is employed in the primary sector such as Agriculture, forestry and fishing sector etc. and these populations are generally belong to rural areas of India. Therefore though the employed person in rural India is more than 50% but they are in unorganised sector, where wage rate is really very low.

RURAL EMPLOYMENT - A CHALLENGING TASK

Barna Ganguli

The current government is putting emphasis on the concept of poverty elimination instead of poverty alleviation. Persistent rural poverty is one of the major challenges India has to cope up with in the new millennium. Although India achieved great success in bringing down rural poverty from 42.0 percent in 2004-05 to 25.7 percent in 2011-12 i.e. there was 16.3 percent point decrease in rural poverty ratio which is higher than the decrease in total poverty (15.3 percent point). Out of the total population of India, 121.0 crore, 69 percent of population is rural whose needs have to be addressed by the policy makers. As more than half of the population lives in rural areas, the performance of the rural economy in terms of growth and employment will have strong influence on the rural poverty. Therefore, any strategy to create employment opportunities in rural areas must focus on the productivity of such employment and it should generate absolute incomes to lift poor above the poverty line.

Employment Situation in India:

The employment situation in the Indian

context has not been quite impressive particularly keeping in view the absorption of unskilled and semi-skilled work force. During 1950-70, Indian economy grew by 3.5 percent against the projected growth of 5.0 percent per annum. Similarly, employment grew by 2.0 percent per annum while the growth of labour force by 2.5 percent, thus resulting in overall increase in unemployment.

Table 1 above shows that growth in labour force is more than growth in employment, which leads to unemployment in the economy. Although if we see the figures in 2001-02 and 2009-10, there is increase in employment and decrease in unemployment but still the gap is so large that it cannot be filled up in such a short time period. The trend of unemployment rate increases upto 2003-04 and, thereafter, gradually decreases. The credit for this can be given to NREGA to some extent. But for an immense population of 121 crore, 100 days employment cannot be a solution and thus some other way-out is needed.

Table 2 notes that there has been a massive decline in employment in absolute terms, even as



Table 1: Estimates of Labour Force, Work Opportunities and Unemployment

(Current Daily Status basis)

Types	2001-02	2002-03	2003-04	2004-05	2009-10
Labour Force (Million)	378.21	385.02	391.95	417.24	428.90
Employment (Million)	344.68	349.89	356.16	382.83	400.80
Unemployment Rate (%)	8.87	9.12	9.13	8.22	6.53
Unemployment (million)	33.53	35.13	35.79	34.30	28.10

Source: Ministry of Labour & Employment, Government of India

Table 2: Growth Rate in Employment (2004-05 to 2009-10) % p.a.

Categories	Usual Status (ps+ss)	Weekly Status	Daily Status
Rural Male	1.0	1.2	1.5
Rural Female	-3.5	-3.2	-2.4
Urban Male	2.5	2.6	2.8
Urban Female	-0.5	0.0	0.6
Total	0.1	0.5	1.0

Source: NSSO 61st and 66th Round Surveys

per the broad criteria of usual status among rural females. The same pattern can be verified in terms of the weekly status as well. On the other hand, rural males reported a growth rate of barely 1 per cent per annum. All this together translates to virtually no employment growth at the aggregate level. However, as per daily status employment shows a growth of 1 percent per annum. Thus we can draw an inference from the two continuous tables that employment scenario in the last couple of years seems quite depressing except the urban males employment growth rate, which is 2.5 percent per annum over the period 2004-05 to 2009-10.

Realm of Rural Employment:

Rural Employment has been one of the principal concerns of development planning since its beginning. More particularly 70s saw emergence of special employment programme and later in 80s employment generation was given central focus in development plans. The severity of underemployment and disguised unemployment is experienced in rural areas. Since poor cannot afford to remain unemployed for a long period, they engage themselves in low productivity

activities yielding low incomes. This problem has led to causalisation and marginalization of labour force.

To tackle the problem of rural unemployment, special employment programmes were initiated. They were:

- a) Wage Employment
- b) Self employment

The rural employment programmes with government interventions started during the Fourth Plan period and continued subsequently from plan to plan. These programmes can be categorized into two: (1) the Area Development Programmes and (2) Family/beneficiary programmes. The area development programmes were *Drought Prone Development Programme (DPAP)*, *Desert Development Programme (DDP)*, *Integrated Tribal Development Programme (ITDP)*, and *Food for Work Programme/ National Rural Employment Programme (NREP)*. The family/beneficiary programmes meant for 'direct attack' on rural poverty included *Small Farmers Development Agencies (SFDA)*s, *Marginal Farmers and Agricultural Labourers Agencies (MFAL)*s, *Integrated Rural Development Programme (IRDP)*, and so on.

In 1981, the *Food for Work Programme* was redesigned as *National Rural Employment Programme* mainly to generate employment and to create durable assets. This redesigning was quite imperative to strengthen rural infrastructure leading to higher production. In 1983, the *Rural Landless Employment Guarantee Programme (RLEGP)* was introduced with the objective of expanding employment opportunities in the rural areas by providing guaranteed employment to atleast one member of the landless labour household upto 100 days in a year. The *NREP* and *RLEGP* were continued upto 1989 and then both were merged and launched as *Jawahar Rojgar Yojana* in April, 1989. The *JRY* is a centrally sponsored scheme under which expenditure is shared between Centre and State in 80:20 ratios. The programme aimed at poverty alleviation through employment generation along with strengthening of rural economic infrastructures, creation of assets for rural poor particularly SCs/ STs for their direct benefits, creation of community asstes and improvement in quality of life in rural areas. The *JRY* functions with two sub-schemes viz, *Indira Awas Yojana (IAY)* and the *Million Wells Scheme*.

Under wage employment other programmes included were *Employment Assurance Scheme (EAS)* launched in 1993 to provide employment during lean agricultural season. The programme's ultimate aim is creation of additional wage employment opportunities during acute shortage of wage employment through manual work for rural poor. *Jawahar Gram Samridhi Yojana (JGSY) (1999)* was demand driven programme for creating community village infrastructure. *Sampoorna Gramin Rozgar Yojna (SGRY), 2001* created by merging *EAS* and *JGSY* aims at providing wage employment to agricultural wage earners, non-agricultural unskilled wage earners, marginal labourers, women, SCs/STs, parents of child labour withdrawn from hazardous occupation, parents with handicapped children etc. *National Food for Work Programme (NFWP), (2004)* was launched with special focus on 150 identified backward districts of the country. The objective

of the programme was to provide additional generation of supplementary wage employment and providing of food security through creation of need based economic, social and community assets in these districts. The programme is being implemented as a 100% Centrally Sponsored Scheme. *National Rural Employment Guarantee Scheme (NREGS), (2006)*, the scheme mandates enhancing livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The *Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), (2009)* aims at enhancing the livelihood security of people in rural areas by guaranteeing hundred days of wage-employment in a financial year to a rural household who volunteer to do unskilled manual work. *NREGA* was renamed as *MGNREGA* in 2009 and its main aim was to enhance the purchasing power of the rural poor.

Among all the poverty alleviation programmes aimed for self employment, IRDP has been the most comprehensive which aims to create self employment among the poor.

It is relevant to note that the need for creation of self employment opportunities in rural areas became urgent due to the following factors, like a) growing marginalization of rural population depending upon agriculture, arising out of an extremely skewed

distribution of assets b) there is lot of disguised unemployment in the agricultural sector, its non-agricultural counterpart was neither developed nor so diversified as to absorb increasing rural force c) the government's policies of rural industrialization did not create adequate impact as there was a local paucity of the specific skills required. d) the alternative strategy of providing wage employment through rural works programmes provided only temporary palliatives without being permanently curative by way of providing a permanent source of income to the poor as such programmes are location specific.

Among all the poverty alleviation programmes aimed for self employment, *IRDP* has been the most comprehensive which aims to create self employment among the poor. The *IRDP* initially started in 20 selected districts of the country in 1976 and the programme was extended to all

blocks of the country from 2nd October, 1980. IRDP provided self employment by a) purchase of productive assets partly by bank credit and partly by subsidy, b) by enabling the beneficiaries to maximize their gains on a permanent basis through infrastructural input and backward/forward linkages, c) by drawing support from employment-oriented programmes like *National Rural Employment Programme (NREP)*, *Rural Landless Employment Guarantee Programme (RLEGP)* etc. d) by developing the required skills and entrepreneurial capabilities through its facilitating component plans such as *Training of Rural Youth for Self Employment (TRYSEM)* launched in 1979. Other self employment programmes were *Rural Self Employment Training Institutes (RSETI)*, the unique experiment of government for building confidence of the youth by developing skill and positive attitude among them through dedicated training. The model has proved very successful in building the morale of the youth and empowering them to set up self-employment ventures in their own places. The objective of the programme was to train the rural BPL youth according his own demand and assessment. Along with this, even financial support is provided to the poor through credit linkages. Escort services to ensure sustainability in micro enterprises is provided for two years. The trainees will also be provided intensive short-term residential self-employment training programmes with free food and accommodation. The objective of Prime Minister Rural Employment Generation Programme (PMEGP), (2008) is to generate employment opportunities in rural as well as urban areas of the country through setting up of new self-employment ventures / projects / micro enterprises. This aims to bring together widely dispersed traditional artisans /rural and urban unemployed youth and give them self-employment opportunities to the extent possible, at their place.

Speaking in these lines, it could be added that the new government has also launched *Skill India Scheme* to enhance entrepreneurial skills and employability of the youth. Along with this

Speaking in these lines, it could be added that the new government has also launched Skill India Scheme to enhance entrepreneurial skills and employability of the youth.

the new *Pradhan Mantri Jan Dhan Yojana*, is an ambitious scheme for comprehensive financial inclusion launched by the Prime Minister of India, Narendra Modi on 28 August 2014. He had announced this scheme on his first Independence Day speech on 15 August 2014. On the inauguration day, 1.5 Crore bank accounts were opened under this scheme.

The scheme has been started with a target to provide 'universal access to banking facilities' starting with Basic Banking Accounts with overdraft facility of Rs.5000 after six months and Ru Pay Debit card with inbuilt accident insurance cover of Rs. 1 lakh and RuPay Kisan Card. In next phase, micro insurance & pension etc. will also be added. This step of Prime Minister will covert cash based economy to digital and wide economy.

Conclusion:

Today, the rural youth are in dire need of appropriate and satisfying jobs within the villages. The sustainable solution lies in increasing the productivity of agricultural sector by accelerating public and private sector in infrastructure technology and skills. A well diversified agricultural growth will enhance employment opportunities. The outcome of wage employment and self-employment programmes has been disappointing, and certainly does not commensurate with the huge investment that has gone in these programmes. The programmes need to be made cost-effective by involving people themselves through Panchayati Raj Institutions and NGOs so that viable and worthwhile projects are taken up. To add up, setting of more and more cottage and rural industries would stop rural migration. The rural people should be provided inputs like credit, marketing facilities, infrastructure and so on which will enhance their income generating capacity and strengthen their entrepreneurial capacity. It is expected that the present government's step in this respect may yield some fruits in near future.

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GENERATING MASSIVE RURAL EMPLOYMENT THROUGH DEVELOPMENT INITIATIVES

Dr Amrit Patel

The share of workforce in agriculture has declined and there is an increase in rural unemployment rate.

In rural areas, Gujarat had the lowest [03/1000] rate of unemployment, much below the national average followed by Madhya Pradesh [04], Rajasthan and Maharashtra [07each], UP and Karnataka [09each] and Himachal Pradesh [10] in 2011-12

The report of the Ministry of Labour and Employment [2012-13] indicates that in India Sikkim has the maximum number of unemployed people as against the minimum in Chhattisgarh. The Overall unemployment rate of the country is 4.7 per cent.

According to Census 2011, India has 377 million and 743 million population in urban and rural areas respectively. Out of 138 million farm households, 117 million are small and marginal farmers. Most of the workforce in agriculture comprising the marginal and tenant farmers, share croppers, oral lessees, landless and those residing in hilly, tribal, desert and drought-

prone areas have to struggle for employment and make a living.. Around 37 million persons left agriculture between 2004-05 and 2011-12 to find work in non-agricultural activities in rural and urban areas. The share of workforce in agriculture has declined significantly to 49 per cent in 2011-12. The NSS data indicate increase in rural unemployment from 7.2 per cent in 2000 to 8.1 per cent in 2010.

Unemployment rate as per the usual status (adjusted) was 17 per 1000 both in rural and urban areas at the national level in 2011-12 which declined substantially from 34 and 45 in 2004-05. In rural areas, Gujarat had the lowest [03/1000]



Table 1
Rural Unemployment Rate per 1000 as per the Usual Status [Adjusted]

State	2004-05	2011-12	State	2004-05	2011-12
	R[U]	R[U]		R[U]	R[U]
Andhra Pradesh	43[36]	12[07]	Maharashtra	23[36]	07[10]
Assam	56[72]	45[26]	Odisha	35[134]	22[50]
Bihar	56[64]	32[15]	Punjab	28[50]	19[38]
Gujarat	08[24]	03[05]	Rajasthan	31[29]	07[07]
Haryana	42[41]	24[22]	Tamil Nadu	27[35]	20[12]
Himachal	40[38]	10[18]	Uttar Pradesh	41[33]	09[06]
Karnataka	29[28]	09[07]	West Bengal	48[62]	27[25]
Kerala	61[156]	68[107]			
Madhya Pradesh	26[28]	04[05]	All India	34[45]	17[17]

Figures in parentheses indicate number of persons unemployed per 1000 in urban areas

much below the national average followed by Madhya Pradesh [04], Rajasthan and Maharashtra [07each], UP and Karnataka [09 each] and Himachal Pradesh [10] in 2011-12 as compared to 68 in Kerala, 45 in Assam, 32 in Bihar, 27 in West Bengal, 24 in Haryana, 22 in Odisha and 20 in Tamil Nadu. While Gujarat had reduced rural unemployment rate from 08/1000 in 2004-05 to 03/1000 in 2011-12, in seven States significant reduction in rural unemployment rate was evident from 43 to 12 in Andhra, 40 to 10 in Himachal, 29 to 09 in Karnataka, 26 to 04 in Madhya Pradesh, 23 to 07 in Maharashtra, 31 to 07 in Rajasthan and 41 to 09 in UP. While in all other States it declined appreciably except in Kerala where it increased to 68 from 61.

The unemployment rate in rural and urban area was equal at 17/1000 at national level in 2011-12, whereas it was appreciably low/lower in rural area than that in urban area in eight States, viz. Gujarat, Himachal, Kerala, MP, Maharashtra, Odisha, Punjab and Rajasthan and it was higher/ much higher in other eight States viz. Andhra, Assam, Bihar, Haryana, Karnataka, Tamil Nadu, UP and West Bengal. Kerala's very high unemployment rate (both urban and rural) in 2011-12 and 2004-05 could be due to unemployment of educated searching the right

kind of job in the State.

The NSS data showed that during 1999-00 to 2004-05, nearly 12 million joined the labour force. Non-agricultural employment increased during this period by 37.5 million over the five-year period, in industry (manufacturing and construction) and services. Similarly, non-agricultural jobs between 2004-05 and 2011-12 also increased by 52 million over seven years.

Number of employed men between 2009 and 2012 remained almost the same whereas the number of employed women declined from 18 per cent to 16 per cent, which in terms of percentage looks small but the actual figures are significantly much higher. In rural sector about 90 lakh women lost their jobs during the period whereas 35 lakh women were added to the workforce in urban areas. The unemployment rate in females was higher at 7.2 per cent as compared to four per cent for males. State of Kerala being the most literate state in India had the highest rate of unemployment, about 10 per cent among the large states, whereas rate of unemployment in West Bengal and Assam was 4.5 per cent and 4.3 per cent respectively. According to NSSO, illiterate population has the lowest unemployment rate, because they are willing to accept low-paying jobs.

Educated youths both in rural and urban areas are facing acute unemployment problem because they lack in skill required in the specific sector of the economy.

Unskilled workers who left agriculture found jobs in construction industry. Employment in construction industry increased from 17 million to 25.6 million between in 1999-00 and 2004-05 and grew sharply to 50 million by 2011-12. While a part of this increase in employment was in housing sector, Government's investment in roads, bridges, airports, ports, energy projects etc. accelerated employment growth. Rural areas, also, witnessed significant growth in non-farm construction-related employment since Government invested significantly in rural housing for the poor (Indira Awas Yojana), rural roads (Pradhan Mantri Gram Sadak Yojana) and the MGNREG scheme.

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Programs

Since independence Government's priority has been to allocate more resources to create self-employment opportunities in rural areas and alleviate rural poverty. Government has implemented/been implementing a plethora of rural employment generation programs. These programs were conceptualised, operationalized, implemented and merged/modified/ restructured after evaluating them to suit the changing socio-economic environment of the country, such as [i] Integrated Rural Development Program, 1978 [ii] Swarna Jyanti Gram Swarajgar Yojana, 1999 [iii] National Rural Employment Guarantee Scheme in 2006..

Rural Non-farm sector

Rural households have realised by experience that [i] a combination of farm and non-farm income provides resilience against adverse situations in either of the sectors, particularly when agriculture is known for more frequent droughts [ii] productivity, profitability and wages in non-farm sector are generally higher than in the farm sector, with better working conditions. In India, the share of agricultural income in the total rural income has significantly declined from

74 per cent in the 1970s to 30 per cent in 2010. Over 42 per cent of rural households source their income from non-farm sector. The term "non-farm" encompasses secondary and tertiary sectors of rural economy i.e. all non-agricultural activities, viz. mining, quarrying, manufacturing, agro-processing, village/cottage industries, repair-services, construction, retail-trade, small business, transport and other services in rural towns undertaken by enterprises varying in size from household own-account enterprises to factories

The studies on rural employment diversification including non-farm sector in India and across major states using NSSO data at household level for the period 1983 and 2009-10 showed that the non-farm sector has consistently grown over time and employed nearly one-third of the rural workforce in 2009-10, as compared to merely one-fifth in 1983 at all-India level. The similar trend was evident across major states as well, though the pace

and pattern varied widely. Crop cultivation followed by animal husbandry was predominant in providing employment to rural workforce across major states during 2009-10. The share of fishery and forestry was negligible in providing employment to the rural workforce, despite significant untapped potential. The study has revealed that the increasing rural non-farm employment has positive and significant effects on reducing rural poverty at all-India level. A positive link between employment and income has been observed in diversifying from crop-production to horticultural activities. In this direction implementation of National Horticulture Mission has showed the way.

Khadi & Village Industries

The Ministry of Micro, Small and Medium Enterprises has been implementing a credit-linked subsidy programme, "Prime Minister's Employment Generation Programme" with KVIC as nodal agency at the national level for generating employment for various categories of persons in rural areas in the country by establishing micro-enterprises in the non-farm sector. Under PMEGP, 2.30 lakh projects have been assisted till

31.12.2013 creating employment opportunities for an estimated 20.90 lakh persons. Under KVIs other on-going programs cumulative rural employment generated is estimated at 140.29 lakh between 2010-11 and 2013-14.

Handloom sector with 23.77 lakh handlooms employs 43.32 lakh handloom weavers and ancillary workers including 38.47 lakh adult weavers and ancillary workers of which 24.72 lakh are engaged full time and 13.75 lakh on part time basis. About 27.83 lakh handloom households are engaged in weaving and allied activities of which 87% are in rural areas. About 82% handloom households are weaver households signifying that at least one member of every such household is engaged in weaving.

Coir industry employs more than seven lakh persons [with a majority from rural areas] producing beautiful artifacts, handicrafts and utility products from coconut husks which is otherwise a waste. Nearly 80% of the coir workers in the fibre extraction and spinning sectors are women. Coir Board proposes an action plan to increase minimum number of working days to 250, additional employment for 50,000 workers in the non-traditional sector and employment of a substantial number of women in the husk collection activities

Handicraft sector employed 68.86 lakh persons in 2011-12 as compared to 65.72 lakh in 2005-06 of which 47.4% were women, 24.16 % SCs, 4.18% STs and 22.99% minority community

Women workers

Rural women's employment has grown over the past several years but largely concentrated in agriculture as self-employed or casual labourers and face various forms of discrimination, including low paying jobs. Women workers in general constitute a marginalised category within the class of workers and occupy a lower position compared to their urban counterparts. SCs/STs occupy the lowest layer among them. A significant percentage of rural women workers are engaged in subsidiary status work. A much smaller proportion among

them works in non-agricultural jobs, particularly the more valued regular/salaried jobs. Among the women wage workers, a proportion of those who report regular employment also work in poor conditions, receiving low wages with long hours of work, no social security and very few holidays. The position of self-employed women in non-agriculture is also not satisfactory. Their capital base is low and consequently their value addition is also low. One third of them operate from their own homes. The overall picture that emerges is one of greater disadvantage for women workers in general and those belonging to rural as well as SCs/ STs in particular. Almost all poor women having no piece of land but have some degree of mobility are concentrated in low-paying wages in

agriculture.

Development Initiatives

With the process of liberalization, privatization and globalization, India's economy has been witnessing metamorphic transformation as is evident that now the share of agriculture has phenomenally declined to 13.7 per cent with 1.8 per cent agricultural growth rate in 2012-13.

Despite slower growth rate of agriculture due to a plethora of factors/reasons India's agriculture has made significant performance viz. [i] India ranks the first in the world, in the production of milk, pulses, jute and jute-like fibres and second in rice, wheat, sugarcane, groundnut, vegetables, fruits and cotton production. [ii] Fruits, vegetables, meat and fibre accounted for 38 per cent of the total produce by weight in 2000 and 45 per cent by 2010. However, while the quality of the products and the productivity of field crops, fruits, vegetables, milk, eggs, meat, fish per unit of area and resources are very low their wastages are substantially high which the nation cannot afford. Agriculture today is far more integrated with the macro economy and no longer 'rural only' in orientation. Accordingly, in the context of the changing rural employment

A significant percentage of rural women workers are engaged in subsidiary status work. A much smaller proportion among them works in non-agricultural jobs, particularly the more valued regular/salaried jobs.

scenario from farm to non-farm sector the Government's policy initiatives may now have to prioritize development of secondary and tertiary sectors of rural economy, though not at the cost of farm sector which has and will even have its unique place and role in country's economy in the years to come. Government in a public-private-partnership mode will need to evolve policy and develop programs that can progressively move rural population from farm to non-farm sector. Following are the broad-based areas under farm and non-farm sector which have unfathomable potential to generate rural employment.

- Seed production, System of Rice/crops Intensification, vegetable cultivation, organic farming and post-harvest management in farm sector.
- The Agro-processing industries in India offers tremendous scope for development of processing of rice, wheat, coarse cereals, maize, pulses, oilseeds, fruits and vegetables, sugarcane, tea, coffee, spices, condiments, cotton, jute, silk under agriculture; milk, meat under livestock; fish under fisheries. Currently, food processing industries employ about 13 million people directly and 35 million people indirectly. Learning lessons from Israel, Japan, China and Brazil, Government in PPP mode can create enabling environment focused on improving the quality of products to meet international standards, enhancing productivity and eliminating wastages employing state-of-the art that can substantially increase the scope for the rural employment both for farm and non-farm sector..
- Activities allied to agriculture viz. dairy, poultry, sheep/goat and fish farming, etc.
- Distribution of seeds, fertilizers, pesticides, farm equipment/machinery, diesel and electric pump-sets, sprinklers/drip irrigation system and repairs of farm equipment
- Promotion of artisan-based, village and cottage industries under the purview of KVIC, Handloom, Handicrafts, Coir, Sericulture boards
- Organizing unorganized retail trade and small business, services providers to meet with

growing demand of consumer and durable goods to meet with growing demand and also to create demand among middle income group rural households. Corporate houses are quite eager and capable to explore and exploit this untapped potential in rural areas

- Implementation of all programs in past has yielded rich experiences indicating the need to build on their successes and remedy the identified shortcomings/deficiencies.
- Programs need to be area specific [agro-ecological region-wise] rather than one-type-fits all at the national level.
- Rural households for whom employment programs are designed must be involved right from identifying the types of the programs they need, planning, implementing, monitoring, reviewing, identifying shortcomings, suggesting remedial measures and redesigning/modifying them.
- More attention needs to be paid on capacity building training both for implementers of the programs and the institutions involved in designing and implementing programs.
- Road map should be prepared to put in place the system to modify/restructure the programs based on past experiences and time frame to complete the implementation in specific areas defining the job role, responsibility and accountability of the implementers.
- Administrative bottlenecks delaying the approval, funding and implementation have to be overcome through reform process.
- Awareness campaign among the beneficiaries should be a continuing process through mass media including print and electronic.
- Government can consider investing adequately in research and human resources in order to mount action research projects, institute pilot studies and evaluate them before replicating.

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RURAL EMPLOYMENT SCHEMES IN INDIA

Sabita Kumari

Majority of the poor in rural areas of the country depend mainly on the wages they earn through unskilled labour. They are often on the threshold level of subsistence and are vulnerable to the possibility of sinking from transient to chronic poverty, in the event of inadequate labour demand or in the face of unpredictable crises that may be general in nature like natural disaster or personal like ill-health, all of which adversely impact their employment opportunities.

In the context of poverty & unemployment, wage employment programmes provide unskilled manual workers with short-term employment on public works such as irrigation infrastructure, reforestation soil conservation, road construction etc. These programmes provide income transfers to poor households during critical times and so also enable consumption smoothing specially during slack agricultural seasons or years. Durable assets created under these programmes have the potential to generate sustainable livelihood. The need to evolve a mechanism to supplement existing livelihood sources in rural areas was recognized

early in development planning in India. The Government has implemented wage employment programmes that offered wage employment on public works on minimum wages.

Employment Schemes

The wage employment programmes started as pilot projects in the form of Rural Manpower Programme (RMP), Crash Scheme for Rural employment (CRSE), Drought Prone Area Programme was started as Rural work Programme (RWP), Small Farmers Development Agency (SFDA), Marginal Farmers & Agricultural Labour Scheme (MF&AL) to the poorest of the poor. These experiments were translated into a full-fledged wage-employment programme in 1977 in the form of Food for Work Programme (FWP). In 1980's this programme was further streamlined into the National Rural Employment Programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP), Jawahar Rozgar Yojana (JRY) and Employment Assurance Scheme (EAS). The Jawahar Rozgar Yojana (JRY) was merged with Jawahar Gram Samridhi Yojana (JGSY) from 1999-2000 and was made a rural



infrastructure programme. The programme was merged with Sampoorna Grameen Rozgar Yojana during the year 2001-02 and National Food for Work (NFFWP, 2005).

These wage employment programmes implemented by State Governments with Central assistance were self-targeting and the objective was to provide enhanced livelihood security, specially to those dependent on casual manual labour. At the State Level, the Govt. of Maharashtra formulated the Maharashtra Employment Guarantee Scheme and Maharashtra Employment Guarantee Act, 1977 to provide wage employment to those who demanded it. Based on the experience of these programmes the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was enacted to reinforce the commitment towards livelihood security in rural areas. This Employment Guarantee Act is the most significant legislation in many ways. For the first time, rural communities have been given not just a development programme but a regime of rights.

The MGNREGA is a legal guarantee that people can use to secure their entitlement of wage employment. It holds the Government responsible for making this employment available to the people. It is a legal instrument in the hands of the poor based on the demand of the workers.

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

The women workforce participation under the Scheme has surpassed the statutory minimum requirement of 33 percent and the trends indicate an increase in the participation rate at the national level. Since inception, every year women participation has been around 48%.

MGNREGA is the first ever law, internationally, that guarantees wage employment at an unprecedented scale. The primary objective of the Act is meeting demand for wage employment in rural areas. The works permitted under the Act address causes of chronic poverty like drought, deforestation and soil erosion, so that the employment generation is sustainable. The Act is also a significant vehicle for strengthening decentralization and deepening processes of democracy by giving a pivotal role to local

governance bodies, that is, the Panchayati Raj Institutions.

The key achievements of the programme in the last six year of its implementation are:

- Since its inception in 2006, around Rs. 1,29,000 crores have been disbursed directly as wage payments to rural households.
- 1348 crores person-days of employment have been generated.
- On an average; five crores households have been provided with employment every year since 2008.
- Scheduled Castes and Scheduled Tribes have accounted for 51% of the total person-days generated.
- Women have accounted for 47% of the total person-days generated. This is well above the mandatory 33% as required by the Act. As is evident, when the women earn, the family gets its benefit. When family is benefitted, the society develops.
- Since the beginning of the programme, 146 lakhs works have been taken up under the Act.
- Average wage per person-day has gone up by 81% since the Scheme's inception, with Statelevel variation. The notified wage today varies from a minimum of Rs. 122 in Bihar and Jharkhand to Rs. 191 in Haryana.

Salient features of the Act

- **Rights based Framework** : For adult members of a rural household willing to do unskilled manual work.
- **Time bound Guarantee** : 15 days for provision of employment, else unemployment allowance to be paid. Upto 100 days in a financial year per household, depending on the actual demand.
- **Labour Intensive Works**: 60:40 wage and material ratio for permissible works at the Gram Panchayat; no contractors/machinery.
- Decentralized Planning
 - Gram Sabhas to recommend works
 - At least 50% of works by Gram Panchayats for execution

- Principal role of PRIs in planning, implementation and monitoring
- **Work site facilities :** Crèche, drinking water, first aid and shade provided at worksites
- **Women empowerment:** At least one-third of beneficiaries should be women
- **Transparency & Accountability:** Proactive disclosure through wall writings, citizen information boards and MIS and Social Audits
- **Funding :** 100% cost towards unskilled wages and 75% towards skilled, semi-skilled and material is borne by Central Government and 25 % of skilled, semi-skilled and material costs is contributed by States. In addition 6% administrative expenses are borne by the Centre for effective implementation of the Act.

Some new initiatives taken under MGNREGA are

- Ensuring Durable & Quality Assets
- (i) As a result of various deliberations, focused discussions with experts and based on the recommendations of Dr. Mihir Shah Committee, the list of permissible works under MGNREGA was expanded in May 2012 to.
- Strengthen the synergy between MGNREGA and rural livelihoods, particularly agriculture, and create durable quality assets.
- Respond to the demands of States for greater location-specific flexibility in permissible works.
- Help improve the health and ecological situation in rural India, with particular focus on sanitation.
- (ii) The contribution from MGNREGA for construction of individual toilets under Total Sanitation Campaign, now renamed as Nirmal Bharat Abhiyan, has been increased to \$ 4500 from \$ 1200.

(i) Social Audits

Section 17 of the MGNREG Act requires that Gram Sabhas shall monitor the execution of works

within the Gram Panchayat (GP). The Gram Sabha shall conduct regular social audits of all projects taken up under the scheme within the GP. Social Audit is not only a management tool but also a platform for public and primary stakeholders of MGNREGA to scrutinize the resources (both financial and non-financial) used for development initiatives. The MGNREGA Audit of Schemes Rules 2011 clearly provide that Social Audit Unit shall facilitate conduct of Social Audit of the works taken up under the Act in every GP at least once every six months in the manner prescribed under the rules.

(ii) Grievance Redressal : Standard Operating Procedures formulated

To effectively address issues of concern on implementation of MGNREGS and leakages in the Scheme, the Ministry has formulated the Standard Operating Procedure (SOP) under Section 27(2) of MGNREGA for redressing complaints. This was realized during September 2012. The new mechanism delineates procedures for managing various types of complaints that will streamline the redressal procedures.

(iii) **CAG Audit :** Performance audit of Mahatma Gandhi NREGA by the Comptroller and Auditor General (CAG), is in progress and detailed report is expected soon.

(iv) **CA Audit at GP Level:** The objective is to make certification of MGNREGA accounts at the GP level by chartered accountants compulsory over time, starting with 10% GPs in the identified highest spending district in each State in 2012-13.

● Swarnajayanti Gram Swarojgar Yojana (SGSY)

SGSY is an initiative launched by the Government of India to provide sustainable income to poor people living in rural areas of the country. The scheme was launched on April 1, 1999.

The SGSY aims at providing self-employment to villagers through the establishment of Self-help groups. Activity clusters are established based on the aptitude and skill of the people which are nurtured to their maximum potential. Funds are provided by NGOs, banks and financial institutions.

Since its inception, over 2.25 million Self-help groups have been established with an investment of Rs. 14,403 crores, profiting over 6.697 million people. The Swarnajayanti Gram Swarozgar Yojana (SGSY) was launched as an integrated programme for self-employment of the rural poor with effect from April 1, 1999.

Working of Scheme

The SGSY was somewhat intended to provide self-employment to millions of villagers. Poor families living below the poverty line were organised into Self-help groups (SHG) established with a mixture of government subsidy and credit from investment banks. The main aim of these SHGs was to bring these poor families above the poverty line and concentrate on income generation through combined effort. The scheme recommended the establishment of activity clusters or clusters of villagers grouped together based on their skills and abilities. Each of these activity clusters worked on a specific activity chosen based on the aptitude and skill of the people, availability of resources and market potentiality.

The SHGs are aided, supported and trained by NGOs, CBOs, individuals, banks and self-help promoting institutions. Government-run District Level Development Agencies (DRDA) and the respective State governments also provided training and financial aid. The programme focuses on establishing microenterprises in rural areas.

The SHGs created may have a varying number of members based on the terrain and physical abilities of the members. It goes through three stages of creation:

- Group formation
- Capital formation through the revolving fund and skill development and
- Taking up of economic activity for skill generation.

The SHGs are usually created by selecting individuals from the Below poverty line (BPL) list provided by the Gram sabha. The SHGs are divided into various blocks and each of these blocks concentrated on 4-5 key activities. The SGSY is mainly run through government-run DRDAs with

support from local private institutions, banks and Panchayati raj institutions.

The Government also assists villagers in marketing their products by organizing melas or fairs, exhibitions, etc.

The Swarna Jayanti Swarozgar Yojna (SGSY) has been renamed as National Rural Livelihood Mission (NRLM). With this the scheme will be made universal, more focussed and time bound for poverty alleviation by 2014.

Funding

Government subsidy allocated for SGSY per individual is 30% of the total capital investment if the total investment is less than Rs. 7,500 and 50% of the investment for SC/STs if the investment is less than Rs.10,000. For self-help groups, the government offers a subsidy of 50% if the total investment is less than Rs. 1.25 lakhs. There are no monetary ceilings on subsidy in the case of irrigation projects.

The SGSY concentrates on the marginalized sections of society. Accordingly, SC/STs comprise 50 percent, women 40% and the physically challenged make up 3% of the total beneficiaries from the scheme.

Government funding for the scheme is divided between the Center and State on a 75-25 basis.

Prime Minister's Employment Generation Programme (Pmegp)

Government of India has approved the introduction of a new credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP) by merging the two schemes that were in operation till 31.03.2008 namely Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. PMEGP will be a central sector scheme to be administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME). The Scheme will be implemented by Khadi and Village Industries Commission (KVIC), a statutory organization under the administrative control of the Ministry of MSME as the single

nodal agency at the National level. At the State level, the Scheme will be implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) and banks. The Government subsidy under the Scheme will be routed by KVIC through the identified Banks for eventual distribution to the beneficiaries / entrepreneurs in their Bank accounts. The Implementing Agencies, namely KVIC, KVIBs and DICs will associate reputed Non Government Organization (NGOs)/reputed autonomous institutions/Self Help Groups (SHGs)/ National Small Industries Corporation (NSIC) / Udyami Mitras empanelled under Rajiv Gandhi Udyami Mitra Yojana (RGUMY), Panchayati Raj institutions and other relevant bodies in the implementation of the Scheme, especially in the area of identification of beneficiaries, of area specific viable projects, and providing training in entrepreneurship development.

Objectives

- i) To generate employment opportunities in rural as well as urban areas of the country through setting up of new self-employment ventures/projects/micro enterprises.
- ii) To bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment opportunities to the extent possible, at their place.
- iii) To provide continuous and sustainable employment to a large segment of traditional and prospective artisans and rural and urban unemployed youth in the country, so as to help arrest migration of rural youth to urban areas.
- iv) To increase the wage earning capacity of artisans and contribute to increase in the growth rate of rural and urban employment.

Implementing Agencies

The Scheme will be implemented by Khadi and Village Industries Commission (KVIC), Mumbai, a statutory body created by the Khadi and Village Industries Commission Act, 1956, which will be the single nodal agency at the national level. At the State level, the scheme

will be implemented through State Directorates of KVIC, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres in rural areas. In urban areas, the Scheme will be implemented by the State District Industries Centres (DICs) only. KVIC will coordinate with State KVIBs/State DICs and monitor performance in rural and urban areas. KVIC and DICs will also involve NSIC, Udyami Mitras empanelled under Rajiv Gandhi Udyami Mitra Yojana (RGUMY), Panchayati Raj Institutions and other NGOs of repute in identification of beneficiaries under PMEGP.

Identification of beneficiaries

The identification of beneficiaries will be done at the district level by a Task Force consisting of representatives from KVIC/State KVIB and State DICs and Banks. The Task force would be headed by the District Magistrate/Deputy Commissioner/Collector concerned. The Bankers should be involved right from the beginning to ensure that bunching of applications is avoided. However, the applicants, who have already undergone training of at least 2 weeks under Entrepreneurship Development Programme (EDP)/Skill Development Programme (SDP)/Entrepreneurship cum Skill Development Programme (ESDP) or Vocational Training (VT) will be allowed to submit applications directly to Banks. However, the Banks will refer the application to the Task Force for its consideration. Exaggeration in the cost of the project with a view only to availing higher amount of subsidy should not be allowed. KVIC will devise a score card in consultation with SBI and RBI, and forward it to the District Level Task Force and other State/District functionaries. This score board will form the basis for the selection of beneficiaries. This score card will also be displayed on the websites of KVIC and Ministry. The selection process should be through a transparent, objective and fair process and Panchayati Raj Institutions should be involved in the process of selection (Para 11 (i)(b) of the guidelines refers.

Bank Finance

- 1) The Bank will sanction 90% of the project cost in case of General Category of beneficiary/institution and 95% in case

of special category of the beneficiary/ institution, and disburse full amount suitably for setting up of the project.

- 2) Bank will finance Capital Expenditure in the form of Term Loan and Working Capital in the form of cash credit. Project can also be financed by the Bank in the form of Composite Loan consisting of Capital Expenditure and Working Capital. The amount of Bank Credit will be ranging between 60-75% of the total project cost after deducting 15-35% of margin money (subsidy) and owner's contribution of 10% from beneficiaries belonging to general category and 5% from beneficiaries belonging to special categories. This scheme will thus require enhanced allocations and sanction of loans from participating banks. This is expected to be achieved as Reserve Bank of India (RBI) has already issued guidelines to the Public Sector Banks to ensure 20 % year to year growth in credit to MSME Sector. SIDBI is also strengthening its credit operations to micro enterprises so as to cover 50 lakh additional beneficiaries over five years beginning 2006-07, and is recognized as a participating financial institution under PMEGP besides other scheduled/ Commercial Banks.
- 3) Though Banks will claim Margin Money (subsidy) on the basis of projections of Capital Expenditure in the project report and sanction thereof, Margin Money (subsidy) on

the actual availment of Capital Expenditure only will be retained and excess, if any, will be refunded to KVIC, immediately after the project is ready for commencement of production.

- 4) Working Capital component should be utilized in such a way that at one point of stage it touches 100% limit of Cash Credit within three years of lock in period of Margin Money and not less than 75% utilization of the sanctioned limit. If it does not touch aforesaid limit, proportionate amount of the Margin Money (subsidy) is to be recovered by the Bank/Financial Institution and refunded to the KVIC at the end of the third year.

- 5) Rate of interest and repayment schedule

Normal rate of interest shall be charged. Repayment schedule may range between 3 to 7 years after an initial moratorium as may be prescribed by the concerned bank/financial institution. It has been observed that banks have been routinely insisting on credit guarantee coverage irrespective of the merits of the proposal. This approach needs to be discouraged.

RBI will issue necessary guidelines to the Banks to accord priority in sanctioning projects under PMEGP. RBI will also issue suitable guidelines as to which RRBs and other banks will be excluded from implementing the Scheme.

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Kurukshetra

FORTHCOMING ISSUES

Commercialisation of Agriculture	:	Dec 2014
Rural-Urban Linkages	:	Jan 2015

RURAL EMPLOYMENT GENERATION THROUGH TOURISM DEVELOPMENT

Dr. Gracious James

Tourism growth potential can be harnessed as a strategy for Rural Development. The growth of spending on leisure and recreation activities has significantly boosted the size and importance of the rural tourist industry. The development of a strong platform around the concept of Rural Tourism is definitely useful for a country like India, where almost 70% of the population resides in its 7 million villages. Nowadays, rural tourism has turned into a leading economic activity and studies show a positive relationship between developing rural tourism and an increase in income. It can be a suitable way to enhance economic advantage and employment. One of the basic concepts of tourism in rural areas is to benefit the local community through the creation of employment opportunities. Tourism has great capacity to generate large scale employment and additional income sources to the skilled and unskilled. It will create employment for the rural people and generate income for them. It can also develop

social, cultural and educational values.

Sustainable tourism development in rural areas in its purest form should be:

1. *Functionally rural* – built upon the rural world's special features of small-scale enterprise, open space, contact with nature and the natural world, heritage, "traditional" societies and "traditional" practises.
2. *Rural in scale* – both in terms of buildings and settlements – and, therefore, usually small-scale.
3. *Tradition*: Traditional in character, growing slowly and organically, and connected with local families. It will often be very largely controlled locally and developed for the long term good of the area.
4. *Representing rural life*: Of many different kinds, representing the complex pattern of rural environment, economy, history and location.



Employment impact of Tourism in rural areas

- Tourism in rural areas offers an economic boost to small communities struggling to survive as young people leave for jobs elsewhere by luring urbanities in the opposite directions and by protecting local “mom and pop” businesses against encroaching mega corporations.
- It will create employment for the rural people and generate income for them. The villagers will be able to provide better food and education for their children. They will have an additional source of income along with their agricultural income.
- Agro-Tourism is a way of Responsible and Sustainable tourism development. This innovative activity helps to boost up the socio-economic condition of the rural area by providing employment and creating the markets for the rural products.
- Creation of employment and reduction of unemployment rates, including latent unemployment, which results in inhabitants of villages being needed, socially accepted, encourages them to develop qualifications (the psychological aspect) and facilitates the utilization of the human resources potential.
- It helps to sustain previously existing local levels of incomes, employment and growth, and generating new wealth sources.
- It is a rather important field in rural development which can build up opportunities and facilities especially for employment and regional income and play a crucial role in reviving and rebuilding rural regions.
- Tourism in rural areas creates employment and opportunities for business growth where other opportunities may be limited, as well as maintaining and protecting existing jobs, micro businesses and those self-employed in rural areas.

Tourism and employment generation in India

India has diverse culture and geography which provides

ample and unlimited scope for the growth of tourism business. India has diverse Agro-climatic conditions, diverse crops, people, culture, deserts, mountains, coastal systems and islands which provides scope for promotion of all season, multi-location tourism products. While tourism may provide employment for young persons and women, men of the community may perceive that tourism provides those few viable, respectable and thus acceptable opportunities for economic livelihood.

The existing scheme for destination development supports the development of infrastructure in rural areas. Under this scheme, the thrust is on promotion of village tourism as a primary product to spread tourism and its socio-economic benefits to rural and new geographic regions. The Ministry of Tourism has joined hands with the UNDP for capacity building — around 153 rural tourism projects have been sanctioned in 28 states/Union Territories including 36 rural sites where UNDP offers support in capacity building. Under the ‘Visit India 2009’ scheme, around 15 rural tourism sites were selected as rural eco-holiday sites.

According to the Planning Commission, the sector creates more jobs per million rupees of investment than any other sector of the economy and is capable of providing employment to a wide spectrum of job seekers, from the unskilled to the specialized, even in the remote parts of the country. The sector’s employment-generation potential has also been highlighted by the World Travel & Tourism Council (WTTC), which says India’s travel and tourism sector is expected to be the second-largest employer in the world.

Scope of Tourism in Rural India

1. Rich rural tradition of art, craft and culture:

Tourism in rural areas is therefore, seen as a major avenue and the Government of India has given priority to tourism as it has great potential to create jobs and to ensure ‘sustainable livelihood.’ The Ministry of Tourism, Government of India has launched the Scheme for

Tourism in rural areas is highly labour-intensive and a valuable source of employment and income in rural areas, especially for those with limited access to the labour market, such as women, youth, and migrants.

Rural Tourism in Xth Five year Plan period in order to promote village tourism as primary tourism product to spread tourism and its socio- economic benefits in various geographical regions all over India.

2. **Cost effectiveness**-The cost of food, accommodation, recreation and travel is least in rural areas. This widens the tourist base. Present concept of travel and tourism is limited to urban and rich class which constitutes only a small portion of the population. However, the concept of Rural Tourism takes travel and tourism to the larger population, widening the scope of tourism due to its cost effectiveness.
3. **Labour intensity:** Tourism in rural areas is highly labour-intensive and a valuable source of employment and income in rural areas, especially for those with limited access to the labour market, such as women, youth, and migrants.
4. **Curiosity about rural life style** - The urban population having roots in villages always have had the curiosity to learn about sources of food, plants, animals, raw materials like wood, handicrafts, languages, culture, tradition, dresses and rural lifestyle. Tourism in rural areas which revolves around farmers, villages and agriculture has the capacity to satisfy the curiosity of this segment of population.
5. **Targeted towards all segments** - Villages provide recreational opportunities to all age groups i.e. children young, middle and old age, male, female, in total to the whole family at a cheaper cost. Rural games, festivals,

food, dress and the nature provides variety of entertainment to the entire family.

6. **Motivated towards nature** - Busy urban population is leaning towards nature. Birds, animals, crops, mountains, water bodies, villages provide totally different atmosphere to urban population in which they can forget their busy urban life.

Models of Rural Tourism for employment generation

Many attractions and activities have evolved as viable models of sustainable development of tourism in rural areas. They are:

- Arts & Crafts Demonstrations and sales
- Farm Store: Exhibition of farm equipments
- Processing of farm products and sale
- Demonstration of Agri-activities
- Sheep Shearing and Wool Processing.
- Fishing / hunting.
- Farm Vacations and Tours
- Horseback Riding.
- A shady spot for visitors to rest – like a big banyan tree
- Educational Tours for school children, officers and progressive farmers
- Farm Schools to teach a particular skill
- Outdoor Schools which are mobile in nature teaching agriculture
- Workshops on interesting, emerging agriculture topics
- Festivals with wide publicity and sponsorship

Table 1								
Travel & Tourism Total Contribution to Employment in India								
Year	2005	2006	2007	2008	2009	2010	2011	2012
Real growth (%)	-13.1	1.8	10.4	-16.5	-4.5	-0.6	4.1	2.7
% share	9.3	9.3	10.1	8.3	7.8	7.6	7.8	7.8
'000	42404.9	43210.3	47739.9	39844.1	38044.1	37786.8	39351.9	40450.7

Source: WTTC

- Regional Themes like tribal coffee of Kerala, Andaman spices etc
- Historical Recreations like highlighting a oldest farm etc.
- Antique Villages and Collection of old farm Machinery.
- Gift Shop and Antiques.
- Cold Drinks, Restaurant.

Best Practices in Sustainable Tourism Development in Rural areas in India

- Some of the best practices in eco-tourism include:
- Thenmala Eco-Tourism Project, Kerala, which is the first planned eco-tourism project in India
- Nal Sarovar Wetland Bird Sanctuary in Gujarat
- Eco-tourism through Jungle Lodges and Resorts Ltd., Karnataka, established with the objective of developing wildlife tourism and various outdoor activities.
- An Eco-city plan prepared for Kanchipuram Town by the Tamil Nadu Government, which conceptually focuses on balance within society as much as they are balance between humans and nature.
- The Union Ministry of Tourism is promoting indigenous rural development projects in Aranmula village (craft based eco-tourism) and Kumbalangi village (Integrated Tourism Village Development) in Kerala and Raghurajpur village in Orissa, among other identified villages, for promotion of rural tourism in the country. These projects are aimed to create sustainable tourism facilities and thereby generating employment in the remote areas. The Craft based eco-tourism at Aranmula is a new concept on culture and craft based eco-tourism for sustainable livelihood of local people.

- The Kokkrebuller Bird Sanctuary is a first of its kind in India under rural village project with direct participation of village folk. The villagers inside this bird reserve are paid money so that they take care of the birds and do not destroy the trees where these birds lay eggs. There are about 95 villagers who get compensation from the state government.
- At Parapur (Madhya Pradesh), it has been observed that the structures like Kala Kendras, Craft Museums, Toilets, Parking sheds, rest rooms etc are maintained by the villagers under the direct supervision of the village panchayat. This also serves an important objective of the rural tourism i.e. to increase the livelihood opportunities of the locals. For maintaining these facilities, in many places (or already in place in many sites) the local youths and women are working as sweepers, guards, cleaners, facilitators, receptionists etc. Thus not only the structures gets utilized and maintained, but the people also get gainful employment resulting in self sustainability.

Conclusion

Providing the ground for rural employment through enhancing tourist attraction spots, Tourism on its own will not be able to provide 100% employment through the year, it is not a guarantee. The government should ensure that tourists must not be allowed to destroy the environment and its future employment opportunities. The least favoured circumstance in which to promote tourism is when the rural economy is already weak, since tourism will create highly unbalanced income and employment distributions. It is better supplement for a thriving and diverse economy than as a mainstay of rural development.

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the sector creates more jobs per million rupees of investment than any other sector of the economy and is capable of providing employment to a wide spectrum of job seekers, from the unskilled to the specialized

RURAL EMPLOYMENT DIVERSIFICATION

Prof. Dr. T.P. More

The Indian economy grew at an impressive rate in the last decade, but the incidence of unemployment towards the end of the 1990s was more than seven percent. The situation is especially disconcerting in the rural sector. Employment in rural sector, which is associated mostly with agriculture, has stagnated during the 90s. Though the share of agriculture in the economy has declined during the planned development of the country, it still assumes a pivotal role in the rural economy since three-fourths of the rural work force is dependent on it. These trends suggest job-less growth in agriculture during the 90s. The gap between the number of new rural workers and the number of new job opportunities created in agriculture is enlarging. The intensity of employment in agriculture depends more on cropped area and crop area indices have decreased during the last two decades. Whereas, Further, livestock which has emerged as an important source of rural employment during the 80s has undergone structural changes, as the livestock population in fact declined. The recent livestock census shows that population of cattle and goat has declined after the mid-90s. As a matter of fact, rearing of cattle and goat is highly labour intensive; a decline

in absolute number of population suggests decline of employment in the livestock sector.

Considering the increased pressure on land there exists limited scope for increasing employment in agriculture so that employment in the non-farm sector becomes an important option. The rural sector in India is undergoing a transformation and the contribution of rural non-farm sector to the rural income and employment is growing.

The employment growth in the non-agricultural sector, unlike for agriculture, has been positive and significant during the 90s. Several studies on rural employment diversification in India have concluded that the share of non-farm sector in rural employment has significantly grown over time and the capacity of the farm sector to absorb additional labour force has almost reached a plateau. Therefore, the rural employment diversification towards non-agricultural sector has gained critical importance over time.

Indian economy may be subdivided in two sub-economies: rural and urban, on the basis of the size of the settlement and the type of



economic activities. Rural economy is defined by the **predominance** of agricultural activities. The rural economy comprises of two sub-sectors, farm sector and non-farm sector. Farm activities include agriculture (crop production), plantation, animal husbandry (milk, meat, egg etc), forestry & logging and fishing, whereas the non-farm sector includes all other activities like agro-processing industries, wholesale and retail trading, storage and communication, transport and education, health industries and other service related activities.

Importance of RNFS (Rural Non-Farm Sectors):

Previous studies on rural employment diversification indicates that with the process of development, the share of non-farm income and employment in the total income and employment of the rural households increases in the developing countries. In India, economic opportunities in the non-farm sector have also increased. A combination of farm and non-farm income at the household level provides resilience against adverse situations in either of the sectors, though agriculture is known for more frequent adversity.

The productivity and profitability in the non-farm sector is generally higher than in the farm sector; as are the average wages and working conditions that obtain in the non-farm sector. A greater reliance on the non-farm sector would therefore provide a demand-pull to rural economy and also ensure welfare for rural workers. The lopsided nature of growth of the non-farm sector is causing a problem of rural - urban migration.

In RNFS a variety of activities people are now accepting as substitutes of farm activities. In this process employment diversification away from (outside) agriculture helps transformation of the rural economy. It i) increases income of the rural people considerably as non-farm wage is usually higher than agricultural wage, ii) provides security and reduces the risk and uncertainty associated with farm income, iii) reduces the pressure of labour on land, and iv) reduces the tendency of the rural people to migrate to urban areas.

The small base of the rural non-farm sector located within a large rural population is in fact indicative of the employment potential in the rural

non-farm sector (RNFS). RNFS diversification is the process by which a rural household constructs a 'diverse portfolio' of non-farm activities for survival and improves his standard of living.

The rural non-farm sector (RNFS) encompasses all non-agricultural activities: mining and quarrying, household and non-household manufacturing, processing, repair, construction, trade and commerce, transport and other services in villages and rural towns undertaken by enterprises varying in size from household own-account enterprises to factories. The RNFS thus comprises diverse activities while sustained growth in the RNFS depends on a varied set of factors, depending on the kind of impetus, positive or negative, that these factors provides to the rural economy RNFS will experience development- and distress- related rural diversification. Rural non-farm sector (RNFS) plays an important role in reducing the widespread rural poverty through generation of employment and income and creation of effective demand for goods and services. The role becomes important as it can provide diverse employment opportunities to the rural people and in the process transform the rural economy in the desired direction of inclusive growth. Achievement of employment growth as per its potential may require a more favourable policy environment.

Expansion of RNFS may proceed in two directions: (a) increasing 'multiplicity of activities' and b) increasing scale of the existing activities. The former refers to employment (and establishment) diversification, defined as an increase in the number of opportunities (establishment) of labour and hence of income of a household, the latter increases the volume of employment directly as well as indirectly.

The various studies on employment diversification have generally found that non-farm activities on an average contribute between 25 and 35 percent of the total household income in rural India. In rural India the non-farm sector has consistently grown over time and employed nearly one-third of the rural workforce in 2009-10, as compared to merely one-fifth in 1983 at all-India level.

Table 3. Growth rate of agricultural and non-agricultural employment, 1983 to 2004-05

Year	Rural 1983-94	1994-05	1983-05	Urban 1983-94	1994-05	1983-05	Total 1983-94	1994-05	1983-05
Agriculture	1.4	0.9	1.1	1.6	0.0	0.7	1.4	0.8	1.1
Non-Agriculture	3.2	3.8	3.5	3.5	3.6	3.6	3.4	3.7	3.5

Source: Computed from individual level data, NSS Rounds on Employment – Unemployment, 1983, 1993-94 and 2004-05

Growth rate of agricultural and non-agricultural employmeny

Despite in the growth rate of the economy in recent years, available evidence does not indicate an increase in the growth rate of employment. In fact, the total growth rate of employment declined from 2.1 percent during 1983/1993-94 to 1.9 percent during 1993/94-2004/05. In fact, the growth of agricultural employment in the period (1994/05) slowed down to 0.8 percent while non-agricultural employment grew at almost 3.7 percent. The table 3 reveals that the growth rate of non-agricultural employment is much high compare to the growth rate of agricultural employment

Changes In The Employment Structure Between 2004-05 To 2009-10

The National Sample Survey Round on Employment–Unemployment for 2009-10 (66th Round) shows that the overall employment grew at only 0.21 percent per annum between 2004-05 and 2009-10, a period of high growth for the Indian economy when real GDP increased at an annual rate of 8.2 percent. The two largest sectors viz. agriculture and manufacturing experienced decline in employment. Agricultural employment declined at the annual rate of 1.71 percent per annum i.e. from 257.8 m to 236.5 m. Manufacturing employment declined from 55.4 million to 52.7 million.

On the other hand, employment in the construction sector grew at the rate of 11.27 percent per year between 2004-05 and 2009-10, i.e. from 25.9 million to 44.2 million. The low rate of growth of employment occurred because of a decline in rural female employment (at a rate of 3.5 percent per year) and a stagnation in female urban employment. This could be accounted for by the decline in employment in both the two

largest sectors employing women viz. agriculture and manufacturing.

But while employment stagnated, wages increased at a fairly high rate over this period, both for men and women, and for casual workers as well as regular wage/salaried employees. Urban and rural real wages/salaries for regular/salaried workers grew at the rate of 6.9 percent and 5.1 percent respectively, while urban and rural wages for casual workers grew at rates of 5.6 percent and 7.1 percent respectively over this period.

Conclusion

The state plays an important role in encouraging positive rural diversification. The rural economy includes several heterogeneous rural activities having different demand and supply conditions in their input and output markets. In a labour surplus country like India, the government also has a role to play in regulating and mediating in the rural labour market.

The non-farm sector is loosely referred to as the unorganized sector; and the Ninth Five-Year Plan document says that more than 90 per cent of employment growth during the 1990s was from the unorganized sector. The construction, trade, and transport have emerged as the engine of rural employment growth; these industries together account for only 11 per cent of the rural workforce.

So it has become important to study by the scholars the trends and patterns of rural employment diversification, alongwith the implications of growing rural non-farm sector on rural poverty.

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MGNREGS - NEED FOR REFORMS TO CREATE PRODUCTIVE RURAL EMPLOYMENT

Dr. Joseph Abraham

The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is perhaps the world largest right to work model being implemented in India. This scheme is supported by the Mahatma Gandhi National Rural Employment Act 2005 passed by the Indian Parliament. The MGNREG Act aimed at providing for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. The Act was initially notified in 200 districts in the first phase with effect from February 2nd 2006 and then extended to remaining districts from 1st April 2008. The mandatory works permissible under the Act 2005 were of eight categories only. On the basis of experiences gained from the implementation of the scheme several researchers and CSOs have up with pros and cons of the scheme. In 2010 the Ministry of Rural Development has set up six working groups to review and suggest measures to improve the functioning of the scheme. These were to make recommendations on the following aspects of

MGNREGS; i) works to be taken up on individual land; ii) on wages to labourers; iii) specific needs of special category of workers; iv) Planning and execution; v) capacity building and vi) Transparency and accountability. Taking a clue from the above reports the MoRD has set up in 2012 the Mihir Shah Committee to examine ways in which the Operational Guidelines of MGNREGA could be revised so that the following concerns could be adequately addressed:-1. Expand the list of permissible works under MGNREGA in order to (a) Strengthen the synergy between MGNREGA and rural livelihoods, especially agriculture and allied sectors, (b) Respond to the demands of the States for greater location-specific flexibility in permissible works, (c) Help improve the ecological balance in rural India and provide a cleaner, healthier environment to its people. 2. Suggest procedural changes that would help strengthen the demand-driven character of MGNREGA, which is its real *differentiaspecifica*. 3. Strengthen the participatory planning and implementation process under MGNREGA so that the programme results in the creation of durable assets and an increase in farm productivity. 4. Make



changes that would infuse the programme with greater efficiency and help overcome the major complaints under the programme such as delays in payments of wages.⁵ Develop effective mechanisms for eliminating the scope of corruption under the programme. The Mihir Shah Committee has come up with a new set of Operational Guidelines that address each of the above concerns. As of a culmination to above qualitative inputs, now the MoRD has out come with an amendment order to the Act 2005. Given this background the objectives of this paper are the following.

Objectives

- i) To analyse the emerging quantum and patterns of employment created.
- ii) To provide a brief overall assessment of the performance of the scheme during the last three years.
- iii) To bring out the salient new features of conceptual transformation effected in the Amendments Order 2013 to Schedule 1 and 11 of the Act and to compare it with the minimum features of list of works mandated in 2005.

- iv) To high light the governance deficit areas and to call for strengthening of decentralized local self-governance in India.
- v) To spell out the emergent new policy initiatives.

It is argued that the recent innovations introduced at the conceptual level is welcome but has not been met with matching governance reforms at the required phase. What is perhaps needed is governance reforms on a larger scale and at rapid pace with better performance and accountability built in at all levels to create more productive rural employment.

Employment under MGNREGS

There is a steady decline observed during the last three years (2011-13) in the employment provided to households, individuals, men, and SC/ST category of job seekers. Persons with disability are increasingly making use of MGNREGS as a source of work (Table.1). The total person days provided has been fluctuating over the period. These indicate that demand for and supply of

Table.1. Wage Employment Provided in MGNREGS

Employment	Category	FY 2014-15	2013-14	2012-13	2011-12
Wage Employment Provided (in lakhs)	Households	279.3	478.8	498.9	506.4
	Individuals	411.6	737.8	797.3	820
	Men	193.4	384.2	422.1	446.6
	Women	218.3	353.6	375.3	373.3
	SCs	93.1	167.5	181.7	185
	STs	75.4	130.2	142.9	147.4
	Persons with Disability	3.1	4.8	4.6	4
Person days (In Crores)	Total as per LB	227.0	258.6	278.7	199.6
	Person days Generated so far	82	220.1	230.5	218.8
	% of Total LB	36.1	85.1	82.7	109.6
	SC person days	18.5	49.6	51.2	48.5
	ST person days	13.7	38.1	41	40.9
Average days of employment provided per Household		29.4	46	46.2	43.2

Source: MGNREGS web site of Gol.

employment under MGNREGS has been under influence of various determinants that needs to be identified. As the quantum of employment provided being very large, calls for identifying the constraints at employment creation. It is hypothesized as one of governance deficits operating on demand and supply sides. Undue dependence on MGNREGS works to the negation of other rural jobs may have taken place. It may be that the new MGNREGS jobs are less demanding in terms of work input and thereby less productive. The government fixed MGNREGs wage rates had been higher than the actual rural farm wages paid to workers in many cases in rural India.

Major Outcomes of MGNREGS.

On analyzing the performance of MGNREGS at the national level for the latest three year period from 2011-2013 the following are the positively moving indicators (source MGNREGS website of MoRD Govt of India). The coverage of districts has increased from 635 to 644. The number of Blocks covered has increased from 6378 to 6576. Total number of households registered for employment has increased from 12.6 crores to 12.9 crores. The number of ongoing works has substantially grown up from 53 crores to 101 crores. Number of works taken up has increased from 80.8 crores to 112 crores. The average wage rates per day per person has increased from Rs114.5 to Rs 129.7. Percentage of payments generated within 15 days has increased from 57.8 to 66.7. The percentage of payments disbursed through Electronic Fund Management System (EFMS) has increased from zero per cent to 16.9 percent over the period. These indicate that the scheme has become more popular and coverage improved. The wages paid to workers have increased and also its timely payments improved over time is an outcome of solace to the poor as otherwise in many districts the wages paid to workers were below the minimum rates.

A decelerating movement is observed in the behaviour of the following select variables at all India level. The total wages paid also initially increased but later declined. The coverage of persons with disability increased from 4 to 4.2 and later declined to 3.7 lakhs. Overall administrative expenditure increased and declined from 5.7 to 4.9 percentage points. Person days generated in

crores have decelerated as per total labour budget projected, in the person days generated so far, and in the total number of households completed 100 days of wage employment. These indicate that the scheme is under the grip of decelerating/stagnation influences. Tardy governance is postulated as a major reason for the above development.

A direct increase is observed in the number of Gram Panchayaths with nil expenditure from 25065 in 2011-12 and it moved up to 34783 in 2013-14. The overall coverage of wage employment availed by all individuals and separately for men, women, SCs and STs also declined in the year period. The average number of person days availed by SC/STs have also declined.

These indicate that the scheme is caught in the grip of performance lacuna. The supply driving forces of the scheme is under strain of performance deficiencies and needs a governance breakthrough amidst the story of Indian economy itself undergoing deceleration in growth. When overall deceleration is in swing in the economy, the demand driven forces are to suffice, and the same is reflected in the findings. But the supply driven factors are got in the trap of performance gaps and not able to meet the demand. A governance push is the only solution.

Conceptual Transformation: Minimum Features

As per original Act 2005 the only mandated items of work that can be taken up were eight fold:-i) Water conservation and water harvesting; ii) Drought proofing, including afforestation and tree plantation; iii) Irrigation canals, including micro and minor irrigation works; iv) Provision of irrigation facility, plantation, horticulture, land development to land owned by households belonging to the SC/ST, or to land of the beneficiaries of land reforms, or to land of the beneficiaries under the Indira Awaas Yojana/BPL families. v) Renovation of traditional water bodies, including de-silting of tanks; vi) Land development; vii) Flood-control and protection works, including drainage in waterlogged areas; viii) Rural connectivity to provide all-weather access. The construction of roads may include culverts where necessary, and within the village area may be taken up along with

drains. Care should be taken not to take up roads included in the PMGSY net work under NREGA. No cement concrete roads should be taken up under NREGA. Priority should be given to roads that give access to SC/ST habitations; and ix). Any other work that may be notified by the Central Government in consultation with the State Government.

As per the Amended Order 2013 the objectives and scope of works have undergone major changes. Now the new core objectives of MGNREGS have become four fold. (a) Providing not less than one hundred days of unskilled manual work as a guaranteed employment in a financial year to every household in rural areas as per demand, resulting in creation of productive assets of prescribed quality and durability (b) Strengthening the Livelihood Inclusion and (d) Strengthening Panchayath Raj Institutions. The new focus of the Scheme is on the following four categories of works.

1. Public Works Relating to Natural Resources Management

- (i) Water conservation and water harvesting structures to augment and improve ground water like underground dykes, earthen dams, stop dams, check dams with special focus on recharging ground water including drinking water sources;
- (ii) Watershed management works such as contour trenches, terracing, contour bunds, boulder checks, Gabion structures and spring shed development resulting in a comprehensive treatment of a watershed;
- (iii) Micro and minor irrigation works and creation, renovation and maintenance of irrigation canals and drains;
- (iv) Renovation of traditional water bodies including desilting of irrigation tanks and other water bodies;
- (v) Aforestation, tree plantation and horticulture in common and forest lands, road margins, canal bunds, tank foreshores and coastal belts duly providing right to usufruct to the households covered in Paragraph 5 of Act 2013; and
- (vi) Land development works in common land.

2. Individual Assets for Vulnerable Sections

- (i) Improving productivity of lands of households specified in Paragraph 5 through

land development and by providing suitable infrastructure for irrigation including dug wells, farm ponds and other water harvesting structures;

- (ii) improving livelihoods through horticulture, sericulture, plantation, and farm forestry;
- (iii) Development of fallow or waste and of households defined in Paragraph 5 to bring it under cultivation;
- (iv) Unskilled wage component in construction of houses sanctioned under the Indira Awaas Yojana or such other State or Central Government Scheme;
- (v) Creating infrastructure for promotion of livestock such as, poultry shelter, goat shelter, piggery shelter, cattle shelter and fodder troughs for cattle; and
- (vi) Creating infrastructure for promotion of fisheries such as, fish drying yards, storage facilities, and promotion of fisheries in seasonal water bodies on public land;

3. Common Infrastructure for NRLM Compliant Self Help Groups

- (i) Works for promoting agricultural productivity by creating durable infrastructure required for bio-fertilizers and post-harvest facilities including pucca storage facilities for agricultural produce; and (ii) Common work-sheds for livelihood activities of self-help groups.

4. Rural Infrastructure

- (i) Rural sanitation related works, such as, individual household latrines, school toilet units, Anganawadi toilets either independently or in convergence with schemes of other Government Departments to achieve 'open defecation free' status and solid and liquid waste management as per prescribed norms.
- (ii) Providing all-weather rural road connectivity to unconnected villages and to connect identified rural production centres to the existing pucca road network; and construction of pucca internal roads or streets including sided rains and culverts within a village;

- iii) Construction of play fields.
- (iv) Works for improving disaster preparedness or restoration of roads or restoration of other essential public infrastructure including flood control and protection works, providing drainage in water logged areas, deepening and repairing of flood channels, chaur renovation, construction of storm water drains for coastal protection;
- (v) Construction of buildings for Gram Panchayats, women self-help groups' federations, and cyclone shelters, Anganawadi Centres, Village Haats and crematoria at the village or block level.
- (vi) Construction of Food Grain Storage Structures for implementing the provisions of the National Food Security Act 2013 (20 of 2013).
- (vii) Production of building material required for construction works under the Act as a part of the estimate of such construction works.
- (viii) Maintenance of rural public assets created under the Act; and
- (ix) Any other work which may be notified by the Central Government in consultation with the State Government in this regard.

The order of priority of works shall be determined by each Gram Panchayat in the meetings of the Gram Sabha keeping in view potential of the local area, its needs, local resources and in accordance with the provisions of Paragraph 9.

Works which are non-tangible, not measurable, repetitive such as, removing grass, pebbles, agricultural operations, shall not be taken up.

- 5. Works creating individual assets shall be prioritized on land or homestead owned by households belonging to:-** (a) Scheduled Castes, (b) Schedule Tribes, (c) nomadic tribes (d) denotified tribes, (e) other families below the poverty line, (f) women-headed households, (g) physically handicapped headed households, (h) beneficiaries of land reforms, (i) the beneficiaries under the Indira Awaas Yojana, (j) beneficiaries under

the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (20 of 2007), and after exhausting the eligible beneficiaries under the above categories, on lands of the small or marginal farmers as defined in the Agriculture Debt Waiver and Debt Relief Scheme, 2008 subject to the condition that such households shall have a job card with at least one member willing to work on the project undertaken on their land or homestead.

6. The State Government shall take concrete steps to achieve effective inter-departmental convergence till the last mile implementation level.
7. There shall be a systematic, participatory planning exercise at each tier of 'Panchayath. All works to be executed by the Gram Panchayaths shall be identified and placed before the Gram Sabha.
8. Adequate shelf of works shall be maintained by every Gram Panchayath to meet the expected demand for work in such a way that at least one labour intensive public work with at least one work which is suitable for Particularly Vulnerable Groups especially the aged and the disabled which shall be kept open at all times to provide work as per demand.
9. While opening works in the public works category, it shall be ensured that the on-going or in complete works should be completed first.
10. In case work could not be provided as per demand within the specified time limit, unemployment allowance shall be paid, as calculated automatically by the computer system or the Management Information System and as provided under the Act.
11. The working hours of an adult worker shall be flexible but shall not spread over more than twelve hours on any day.

12. The Janata Information System

This calls for mandatory proactive disclosure of basic information to all common people and stakeholders.

- (1) Display at each worksite the 'Janata' estimate of the work- showing the details of the work, estimated labour days, quantities of materials to be used in local terminology and item-wise cost of the estimate.
- (2) Display on prominent walls or public boards in the village: job cards list, number of days of work provided and the wages paid to each job card holder; and entitlements provided under the Act.
- (3) Display through boards at the Gram Panchayath Office: shelf of projects approved, year-wise works taken up or completed by Gram Panchayaths and Line Departments, employment provided, funds received and expenditure, list of materials with quantities used in each work ,rates at which the material was procured.
- (4) Display on the website: The Ministry of Rural Development and the State Departments of Rural Development shall ensure that their web sites are updated to fully comply with all the seventeen provisions of Section 4(1)(b) of the Right to Information Act(22 of 2005) and all information about the Act is available in public domain, through free down loadable electronic form:

13. The New Concurrent Social Audit

The new system introduced call for audit of all works every month. For this purpose, Programme Officer shall make available free of cost, details of works done and expenditure made during the past one month to the Bharat Nirman Volunteers, village social auditors, self-help groups, youth organizations and such other village level organizations for verification and report deviations if any.

14. Local Level Plans

There shall be a Capacity Building Plan, Information Education Communication Plan and a Plan for Strengthening Panchayaths as a part of the scheme.

15. New Minimum Entitlements to Workers

- i) If the job seeker is a single woman or disabled person or aged Person or released bonded labourer belonging to Particularly Vulnerable

Tribal Group, they must be given a special job card of a distinct color which will ensure them a special protection in providing work, work evaluation and worksite facilitates, as the case may be.

- ii) Normally, applications for work must be for at least fourteen days of continuous work ; other than the works: relating to access to sanitation facilities, for which application for work shall be for at least six days of continuous work.
- iii) A new work under the Scheme can be commenced if at least ten labourers become available for work, provided that his condition shall not be applicable for new works ,as determined by the State Government, in hilly areas and in respect of afforestation works'.
- iv) The vigilance and Monitoring Committee setup according to the instructions of the Central Government may check all works and its evaluation report will be recorded in the Works Register in the format specified by the Central Government and submitted to the Gram Sabha during the Social Audit."
- v) The most marginalized women in the locality, women in exploitative conditions or bonded labour or those vulnerable to being trafficked or liberated manual scavengers should be employed for providing child care services:
- vi) If any personal injury is caused by accident to a child accompanying a person who is employed under the Scheme, such person shall be entitled to medical treatment free of cost; and in case of death or disablement of the child due to the said accident, *exgratia* shall be paid to the legal guardian as determined by the State Government.
- vii) The computer system shall have a provision to automatically calculate the compensation payable based on the date of closure of the muster roll and the date of deposit of wages in the accounts of the 'wage seekers.
- viii) The State Government shall pay the compensation upfront after due verification within the time limits as specified above and recover the compensation amount from the

functionaries or agencies who is responsible for the delay in payment.

Governance Streamlining Needed.

The persistence of following issues in varying degree of intensity at the field level across the country indicates the need for governance per se reforms of MGNREGS.

- i) Labour demand not getting registered effectively, ii) Shortage of funds and unspent balances are coexisting, ii) Updating of reports are always a delay point and problems in reporting systems persist; iii) Poor net connectivity at Block and Gram Panchayath levels persist; iv) Labour budgets prepared not having scientific in puts; v) The government agencies not able to adjust the labour budgets to seasonal variations in the labour demand and supply conditions of the rural areas. vi). Enabling convergence at grass roots levels is still to become fully functional and seldom the convergence meetings are held at GP levels; vii) Lack of training to the elected members; viii) Lack of habitat based baseline surveys to identify the labour demand and supply determinants in the rural labour market; ix) women working but getting registered in the name of men household head; x) Low level of awareness and accrual of benefits among SC/ST workers of the scheme features and entitlements; xi. Low efforts to organize and mobilize workers to reap benefits of the scheme; xii) The Rozgar Diwas is not conducted with due importance; xiii) MIS no having a mandatory filed for demand capturing; xiv) Getting the CSOs/NGOs involved in proactive ways is lagging in many areas; xvii) Lack of robust IEC and Capacity Building Plans, xviii) Unemployment allowances eligible being very large in amount and in practice what is paid is actually very low than former is an eye opener for all. Many states yet to issue guidelines as to how and what amounts to be paid as unemployment allowance. xix) The delay in payments compensation mechanisms not properly working; xx) Some banks not meeting the RBI guidelines in enabling the timely payment of wages to workers account. xxi) Electronic Fund Management System not

fully functional in many states and areas of the country.

Areas of New Policy Initiatives

- i) The DPC shall ensure that at least 60 per cent of the works to be taken up in a district in terms of cost shall be for creation of productive assets directly linked to agriculture and allied activities through development of land, water and trees.
- ii) More focused planning and execution of works in the select most backward Blocks.
- iii) The equating of minimum wages and MGNREGS wages and of indexing wages to Consumer Price Index variations in rural areas.

Conclusion

The new MGNREGS 2013 is conceptually transformed and has come back with a clear vision. But the demand driven forces are yet to get fully operationalised and dynamics of demand for labour is not unraveled and resolved enough to revive the rural economy through MGNREGS. It has not come out of the supply driven moulds set by the governance superstructures. The MGNREGS mission is only partly being achieved as its supply driven determinants are deeply entrenched in governance deficits. What is needed is a governance paradigm shift in MGNREGS. This call for massive strengthening PRIs and its sub systems like Self Help Groups, Gram Sabhas, Banking Correspondence Model and also by deploying larger numbers of Rozgar Sahayak's, technical staff per Gram Panchayat with better remuneration to achieve financial inclusion and to ensure sustainable livelihoods in rural India. Budgetary commitments of the States in the scheme be increased from the present very low levels to make it more accountable, the huge backlog of unemployment allowances to be paid by States is a case in point. The conceptually transformed MGNREGS needs more creative innovative and time bound efforts from the local governance institutions to meet the new obligations assigned to them, is perhaps a challenge ahead.

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DEVELOPMENT OF RURAL ROADS – ARE WE ON THE RIGHT TRACK?

Dr. Ishita G. Tripathy

For a developing country like India, with a vast rural population, the development of the rural areas is an economic priority. The planning and effective implementation of the development work related to rural transport infrastructure is an essential ingredient in making this priority a reality. A key component of transport infrastructure is the creation of assets in the form of rural roads. Rural roads are all the more important because the most visible alternative mode of transport in India, i.e. railways, is constrained in terms of geographical spread and providing the last mile connectivity.

The access to the means needed to procure the three most important requirements of human beings, i.e. *roti* (food), *kapda* (clothing) and *makaan* (house), is contingent upon the availability of the road network. The evidence that a well developed road network can provide access to health care, nutrition and education; can provide avenues for employment; and can eventually lead to poverty alleviation is well-established. Rural roads provide connectivity in rural areas for the transportation of goods for production, consumption and investment;

and transportation of people in pursuit of education and employment, besides transporting them for the purpose of travel and tourism. This paper analyses some facts and figures of the rural roads sector and highlights a few significant implementation and policy challenges in the development of an effective roads infrastructure in rural India.

Rural road network

According to Census, 2011, more than 83 crore people of India live in rural India, comprising 6.41 lakh villages (Table 1). Almost three-fifths of India's road network, consisting of more than 28 lakh kilometres, provides connectivity to these rural units. During the 2002-12 decade, the rural road network registered a moderate rate of growth of 3.3 per cent, marginally lower than that of the total road network of the country, which grew at 3.6 per cent.

The entire rural road network is spread over all the States and the two Union Territories of Daman & Diu and Puducherry. This network is constructed and maintained by various agencies.



Table 1: Rural India: Some Parameters related to Roads	
Parameters	Rural India
1	2
Rural population (as on 31.3.2011)	83.3 crore
% of rural population to total (as on 31.3.2011)	68.8
Growth rate of rural population during 2001-11 (in %)	12.2
Number of villages (as on 31.3.2011)	6.4 lakh
Length of rural roads (in kms) (as on 31.3.2012)	28.4 lakh
% of rural roads in total road network (as on 31.3.2012)	58.3
Growth rate of rural roads during 2002-12 (in %)	3.3
No. of road accident fatalities in rural areas during calendar year 2012	0.9 lakh
% of road accident fatalities in rural areas to total during 2012	61.6
No. of road accident injuries in rural areas during 2012	3.1 lakh
% of road accident injuries in rural areas to total during 2012	60.2
Sources: 1. 'Rural Urban Distribution of Population', Census of India 2011, Ministry of Home Affairs (MHA). 2. 'Basic Roads Statistics of India, 2012', Ministry of Road Transport & Highways (MoRTH). 3. 'Road Accidents in India, 2012', MoRTH.	

The Government of India statistics categorise rural roads into Panchayati Raj roads, Pradhan Mantri Gram Sadak Yojana (PMGSY) roads and Jawahar Rozgar Yojana (JRY) roads. Panchayati Raj roads which include roads of Zilla Parishads, Village Panchayats and Community Development/ Panchayat Samitis are around 15.88 lakh kilometres. PMGSY which was launched in 2000, with the objective of providing all weather road connectivity to habitations with a population of 500 persons and above in plain areas; and 250 persons in hilly, tribal and desert areas, has a network of 3.50 lakh kilometres. The remaining 9 lakh kilometres of roads were constructed under the erstwhile JRY. JRY was launched in 1989 with the primary objective of providing additional gainful employment in rural areas. The secondary objective was to strengthen rural economic infrastructure. JRY was subsumed under Sampoorna Grameen Rozgar Yojana and subsequently under the Mahatma Gandhi National Rural Employment Guarantee Scheme.

Some challenges

The increase in absolute numbers in the length of rural road network is, however, not free from policy and implementation challenges. Most of these challenges emanate from financial bottlenecks which weakens infrastructure development. Some of these challenges are the

uneven spread of rural roads across States, the low proportion of surfaced roads, road safety issues and the unavailability of reliable data.

Uneven spread

The spread of the rural network has not been in proportion to the rural population residing in that State. For example, the top three States in terms of rural population, i.e. Uttar Pradesh, Bihar and West Bengal, which have a share of almost two-fifths of the country's rural population, have less than one-fifth of the total rural road network (excluding JRY roads, for which the State-wise break-up is not available in the public domain). On an average, the availability of rural road network per one lakh rural population in Uttar Pradesh is merely 56.4 kilometres (Table 2). Although a low proportion of rural roads in the total road network of the State implies that the State has a high proportion of national/state highways, urban, project or other roads, the fact remains that the rural road network needs to be commensurate with the geographical spread of the rural area/habitations to avoid any kind of deprivation.

The three States with the largest rural road networks are Assam (2.18 lakh kilometres), Odisha (1.94 lakh kilometres) and West Bengal (1.72 lakh kilometres). The average availability of rural road network per one lakh population in Assam and

Odisha are 806.4 kilometres and 554.7 kilometres, respectively.

To ensure that the supply of rural roads meets the demand for it, investments from the Central and State Governments and also other sources, including public-private partnerships, are necessary. Further, the mere construction of a road is not enough to meet its objective of providing connectivity. Continuous maintenance of the created asset is of equal importance. What is needed is monitoring of the progress of rural roads works along with a participatory management approach by the stake-holders. Resource and technological convergence of programmes with similar objectives would reduce the duplication of government effort, while simultaneously leading to better management of scarce resources available for the development of the rural economy.

Low proportion of surfaced roads

Out of the entire 28 lakh kilometres of rural road length in the country, only around 11 lakh kilometres is surfaced. Uttar Pradesh has a high proportion of surfaced rural roads (61 per cent), as compared to the other two States which have a large rural population; viz. Bihar (39.3) and West Bengal (15.4). What is worth noting here is that although Assam and Odisha have a large rural road network, the proportion of their surfaced roads is very low, ranging between a mere 10-12% of their rural road networks.

It is often argued that since rural roads have low traffic volumes and connect small habitations, the surfacing of these roads may not be justifiable. However, the argument could be turned around to state that due to the roads being unsurfaced, the low level of traffic volume is being perpetuated. A higher level of investments on this front would break this vicious circle.

Road safety issues

Another dimension of a road network is the safety aspect. Well spread out, surfaced roads would be effectively commutable only if they are safe. The vast rural area of the country forms an equally large proportion of road accidents in the country. During the calendar year 2012, out of 1.38 lakh people who died in road accidents in

the country, more than 85,000 people died in road accidents which occurred in rural areas. Thus, the rural areas accounted for 61.6 per cent of all road accident fatalities in the country. Around 60.2 per cent of the total injuries in road accidents occurred in rural areas during the same year. Around one-tenth of road accident fatalities in the country are caused by non-motorised modes of transport. Such accidents are more common in rural than urban areas. In all three States, Uttar Pradesh, Bihar and West Bengal, at least fifty per cent of the road accident fatalities in the respective States occur in rural areas. The State of Uttar Pradesh alone accounts for almost 10 per cent of rural fatalities in the country.

As evident from Table 2, road safety in rural areas warrants an urgent remedial strategy. Although providing for the safety on rural roads is challenging, it is very much an integral part of sustainable development.

Unavailability of reliable data

Reliable data is an essential input into the policy and strategy of safe rural road development. Currently, there is no single agency which maintains the details of all rural roads in each State. Since there are multiple agencies constructing and maintaining rural roads, the process of culling out information from each of these becomes a cumbersome exercise. For example, even though the width of the roads or carriageway is an important parameter to gauge the size and the number of vehicles which can access the roads, lack of uniform information flow and inconsistent data management by multiple agencies involved in the rural roads sector have brought in ambiguities in the exact determination of the width-wise total length of the rural roads.

Thus, there is a need to put in place one single agency in each State which can maintain the data records of all rural roads in a standardized format. Collection and collation of accurate data in a consistent format on rural roads can form an important input into the planning process of rural transport infrastructure. Further, the timely dissemination of the data would ensure that the steps required to reduce the demand and supply mismatch of rural roads can be taken.

Table 2: Some Roads Related Parameters for Some Select States

Parameters	States with the largest Rural Population			States** with the largest Rural Road Network	
	Uttar Pradesh	Bihar	West Bengal	Assam	Odisha
1	2	3	4	5	6
Rural Population (as on 31.3.2011)	15.5 crore	9.2 crore	6.2 crore	2.7 crore	3.5 crore
% of rural population to total State population	18.6	11.1	7.5	85.9	83.3
Length of Rural Roads* (as on 31.3.2012) (in km)	87,350	1,08,759	1,72,462	2,17,734	1,94,151
% of Rural Roads in Total State Road Network	4.5	5.6	8.9	11.2	10.0
Road length per lakh population (in km)	56.4	118.2	278.2	806.4	554.7
Length of Surfaced Rural Roads* (in km) (as on 31.3.2012)	53,265	42,747	26,530	23,269	23,081
% of Surfaced Rural Roads to Total State Rural Road Network	61.0	39.3	15.4	10.7	11.9
No. of road accident fatalities in rural areas during calendar year 2012	8,310	2,596	2,811	953	1,998
% of road accident fatalities in rural area to State total	51.5	51.3	52.1	41.6	54.0
% of road accident fatalities in rural area to national rural total	9.8	3.0	3.3	1.1	2.3
No. of road accident injuries in rural areas during calendar year 2012	9,721	3,815	7,303	2,568	5,909
% of road accident injuries in rural areas to State total	43.9	53.4	53.0	38.3	55.1
% of road accident injuries in rural areas to national rural total	3.2	1.2	2.4	0.8	1.9
* Excluding JRY roads					
** West Bengal has the third largest rural road network. The details are given in column 4.					
Sources: 1. 'Rural Urban Distribution of Population', Census of India 2011, MHA.					
2. 'Basic Roads Statistics of India, 2012', MoRTH.					
3. 'Road Accidents in India, 2012', MoRTH.					

Concluding remarks

The significance of transport infrastructure in the sustained development of an economy cannot be undermined. For the seamless integration of the rural economy with the rest of the economy, the development of rural roads is imperative. The planning of the development of the rural road network is not possible in isolation and its implementation has to be necessarily assimilated with that of development of the remaining road network. Important parameters of judging the standard of any road network system are its geographical spread, length, width, quality and safety. Any policy targeting the development of the rural economy has to necessarily entail the sustainable development of rural roads, meeting

the standards of a green economy. Rural road network is essential for the socio-economic growth of rural India. The provision of creation of roads as assets is vital for ensuring inclusive growth of the rural economy.

The priority accorded to national and state highways is definitely called for and is well accepted. However, if a paradigm change in the rural economy is expected, the need to develop rural roads cannot be overemphasised. The backdrop of renewed interest in providing for transport infrastructure is a positive step in that direction.

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LIVELIHOOD THROUGH COLLECTION AND PROCESSING OF TIGER GRASS

Reema Saha and B. S. Mishra

Broom grass or Tiger grass botanically known as *Thysanolaena maxima* (Roxb.) O. Ktze. is popularly known as Jhadughas in Hindi, Amliso in Nepali, Phool Jhadu in Assamese, Nakshi in Kokborak and Phooljhadu in Bengalee.

The broom grass or *Thysanolaena maxima* (Roxb.) O. Ktze. Belongs to the family Poaceae. It is found on the slopes of hills, damp steep banks along ravines and on sandy banks of the rivers. It is distributed widely throughout the country up to an altitude of 2000m. It grows in tussocks and on an average 4-5 tussocks are found in 10m² area. The species is very common throughout the North-East India.

Morphologically it is a huge tufted grass up to 3m tall, culms solid, leaf-sheaths at least the upper ones, glabrous; blades lanceolate-acuminate, abruptly contracted to a short petiole for a subcordate base, acuminate to a fine point, glabrous; inflorescence a huge and drooping panicle 60-90 cm long or more wide at anthesis; spikelets numerous, often in pairs on a common peduncle, pedicel distinct.

It regenerates through seeds under natural condition. The seeds mature during February to March and disseminate by wind to long distances due to their lightweight.

Some people also collect and transplant the wild seedlings for propagation but it is always better to get quality seedlings from reputed nurseries.

The State of Tripura is endowed with extremely favourable physical and climatic conditions for cultivation of superior quality broom grass. Only parts of Mizoram and Meghalay produce broom grass of such superior grade. Most of the forest dependent families living within or in the vicinity of forests are

familiar with the crop of broom grass and need only little awareness/training and capacity building to cultivate and manage broom grass based Income Generation Activity (IGA) on a sustainable basis.

Demand and Supply

The demand for broom grass in the country exceeds its domestic supply resulting in occasional imports from outside. In Tripura, broom grass used to be traditionally operated from forests on the basis of 'Mahal' i.e. monopoly lease. The total collection of broom grass used to be about 250-350 MT during the season, which was subsequently put to auction in raw form. The local collectors were being offered Rs. 27 per Kg for the produce, which was quite low resulting in very poor collection of the resource. Broom grass, if not harvested annually, goes waste and the resource also gets degenerated.

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On the proposal of the NTFP Centre of Excellence, the State Government allowed the collection, processing and marketing of broom grass by the JFMC members in one Range viz. Pecharthal Range of Kanchanpur Division during the last season (2010-11) on a pilot basis. It may be mentioned that the collection of broom grass from Pecharthal Range during the previous season (2009-10) was 'nil'. The NTFP Centre of Excellence launched a massive awareness campaign within Pecharthal Range and arranged training-cum-capacity building programmes for all the interested JFMC members of the Range on collection, processing and value-addition of broom grass. 1844 JFMC members, mostly women, were imparted training on collection, processing and value-addition of broom grass and also broom making. Marketing tie-up was also made well in advance for the entire produce. These initiatives evoked very warm response by the stakeholders who resolved to take up this activity on a grand scale.

Broom grass promises a potential turnover of about Rs. 100 crore providing attractive employment to about 1,00,000 persons, with the existing resources in the State, which can be increased manifold by scientific interventions.

The collection of broom grass in just one Range (Pecharthal) was eventually over 522 MT, which exceeded the annual collection from the entire State. The collectors received much higher returns, too, at the rate of Rs. 32 per Kg during the lean period of January-March. Besides, the JFMCs also earned certain amounts (Rs 1- 2.50 per Kg) in their revolving funds. About Rs. 1.67 Crore was earned by the collectors of broom grass in Pecharthal Range whereas there was no such earning last year. The quality of collected broom grass had also been very superior thanks to the practical trainings imparted to the collectors in the field. Thereafter, broom making continued in full swing by the trained persons at various godowns as well as in their homes during leisurely hours. All the trained JFMC members were assured of gainful employment almost the year round. About 3,000 persons have benefitted from this initiative of NTFP CE. The JFMCs of Pecharthal Range now have

a feeling of self-confidence and empowerment. They are now capable of upscaling the activity and venture out into other NTFP based Income generation activities.

Buoyed by their successful piloting of broom grass based enterprise that earned a very decent income for them, the JFMCs then decided to take up plantations of broom grass this year. Besides, in an unprecedented gesture, they also voluntarily contributed an amount of Rs. 50,000 to the State Government for promotion/development of NTFP resources in the State.

Representative JFMC members from other Ranges/Divisions have also been to some of the JFMCs of Pecharthal Range for exposure visits and they have been highly motivated by the sight of entrepreneurship and unhindered flow of benefits to the JFMCs in Pecharthal Range. They have also expressed keen desire to engage in similar activities as soon as possible.

Processing of raw broom grass and sale of finished product i.e. brooms in bulk beyond Kolkata offer a very rewarding proposition for the JFMCs. Broom grass promises a potential turnover of about Rs. 100 crore providing attractive employment to about 1,00,000 persons, with the existing resources in the State, which can be increased manifold by scientific interventions. Tripura may become the hub of broom making activity in the region, too. Thus, one NTFP namely, broom grass, may significantly uplift the socio-economic status of the forest dependent communities of the State within a reasonable time of just a few seasons.

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PRADHAN MANTRI JAN DHAN YOJANA – A STEP TOWARDS ‘SAB KA SATH SAB KA VIKAS

Dr. H. R. Keshavamurthy

In his first Independence Day speech on 15th August 2014, Prime Minister of India had announced the National Mission on Financial Inclusion titled, ‘Pradhan Mantri Jan Dhan Yojana’ (PMJDY). Now in less than a fortnight the country is geared up to launch this mega event all across the country with the Prime Minister himself launching it from the national capital. Simultaneous launch functions of the Yojana are held in the state Capitals and at all district Headquarters. Besides, camps would also be organized in the area allotted to branches of the banks.

Now what is this Yojana and how it’s going to be different from the earlier schemes.....

The PMJDY has been conceived as a national mission on financial inclusion with the objective of covering all households in the country with banking facilities and having a bank account for each household. Financial inclusion or inclusive financing is the delivery of financial services at affordable costs to sections of disadvantaged and low-income segments of society, in contrast to financial exclusion where those services are not available or affordable. It is said that since banking services are in the nature of public product, the availability of banking and payment services to the entire population without discrimination is the prime objective of financial inclusion in public policy. With a bank account, every household gains access to banking and credit facilities. This will enable them to come out of the grip of moneylenders, manage to keep away from financial crises caused by emergent needs, and most importantly, benefit from a range of financial products/benefits. Describing the task as “gigantic,” the Prime Minister in an email to all bank officers has stressed the need to enroll over 7 crore households and open their accounts on urgent basis as all their development activities are hindered by this single disability.

Current status of financial inclusion in the country:

Various initiatives were taken up by RBI/

Gol in order to ensure financial inclusion. These include Nationalization of Banks, Expansion of Banks branch network, Establishment & expansion of Cooperative and RRBs, Introduction of PS lending, Lead Bank Scheme, Formation of SHGs and State specific approach for Govt sponsored schemes to be evolved by SLBC. During 2005-2006, RBI advised Banks to align their policies with the objective of financial Inclusion. Further, in order to ensure greater financial inclusion and increasing the outreach of the banking sector, it was decided to use the services of NGOs/SHGs, MFIs and other Civil Society Organizations as intermediaries in providing financial and banking services through use of “Business Facilitator and Business Correspondent Model”.

However, as per Census, 2011, out of 24.67 crore households in the country, 14.48 crore (58.7%) households had access to banking services. Of the 16.78 crore rural households, 9.14 crore (54.46%) were availing banking services. Of the 7.89 crore urban households, 5.34 crore (67.68%) households were availing banking services. In the year 2011, Banks covered 74,351 villages, with population more than 2,000 (as per 2001 census), with banking facilities under the “Swabhimaan” campaign through Business Correspondents. However the program had a very limited reach and impact.

The present banking network of the country (as on 31.03.2014) comprises of a bank branch network of 1,15,082 and an ATM network of 1,60,055. Of these, 43,962 branches (38.2%) and 23,334 ATMs (14.58%) are in rural areas. Moreover, there are more than 1.4 lakh Business Correspondents (BCs) of Public Sector Banks and Regional Rural Banks in the rural areas. BCs are representatives of bank to provide basic banking services i.e. opening of basic Bank accounts, Cash deposits, Cash withdrawals, transfer of funds, balance enquiries, mini statements etc. However actual field level experience suggests that many

of these BCs are not actually functional. Public Sector Banks (PSBs) including RRBs have estimated that by 31.05.2014, out of the 13.14 crore rural households which were allocated to them for coverage about 7.22 crore households have been covered (5.94 crore uncovered). It is estimated that 6 Crore households in rural and 1.5 Crore in urban area needs to be covered.

PMJDY

The mission mode objective of the PMJDY consists of 6 pillars. During the 1st year of implementation under Phase I (15th August, 2014-14th August, 2015), three Pillars namely (1) Universal access to banking facilities (2) Financial Literacy Programme and (3) Providing Basic Banking Accounts with overdraft facility of Rs.5000 after six months and RuPay Debit card with inbuilt accident insurance cover of Rs 1 lakh and RuPay Kisan card, will be implemented.

Phase II, beginning from 15th August 2015 upto 15th August, 2018 will address (1) Creation of Credit Guarantee Fund for coverage of defaults in overdraft A/Cs (2) Micro Insurance and (3) Unorganized sector Pension schemes like Swavlamban. In addition, in this phase coverage of households in hilly, tribal and difficult areas would be carried out. Moreover, this phase would focus on coverage of remaining adults in the households and students.

The implementation strategy of the plan is to utilize the existing banking infrastructure as well as expand the same to cover all households. While the existing banking network would be fully geared up to open bank accounts of the uncovered households in both rural and urban areas, the banking sector would also be expanding itself to set up an additional 50,000 Business correspondents (BCs), more than 7000 branches and more than 20000 new ATMs in the first phase. A comprehensive plan is necessary considering the past experience where a large number of accounts opened remained dormant, resulting in costs incurred for banks and no benefits to the beneficiaries. The plan, therefore, proposes to channel all Government benefits (from Centre/State/Local body) to the beneficiaries to such accounts and pushing the Direct Benefits Transfer (DBT) scheme of the Union Government including

restarting the DBT in LPG scheme. MGNREGS sponsored by Ministry of Rural Development (MoRD, GoI) is also likely to be included in Direct Benefit Transfer scheme.

Keeping the stiff targets in mind, in the first phase, the plan would focus on first three pillars in the first year starting from 15th August, 2014. The target for setting up additional 50,000 BCs is quite challenging given the constraints of telecom connectivity. In order to achieve this plan, phase wise and State wise targets for Banks have been set up for Banks for the period 15th August, 2014 to 14th August, 2015. Roles of various stakeholders like other Departments of the Central Government, State Governments, RBI, NABARD, NPCI and others have been indicated. Gram Dak Sewaks in rural areas are proposed as Business Correspondent of Banks. Department of Telecom has been requested to ensure that problems of poor and no connectivity are resolved. It is understood that of the 5.93 lakh inhabited villages in the country (2011 census) only about 50,000 villages are not covered with Telecom connectivity.

The major shift this time in this Financial Inclusion effort of the Government is that households are being targeted instead of villages as targeted earlier. Moreover both rural and urban areas are being covered this time as against only rural areas targeted earlier. The present plan pursues digital financial inclusion with special emphasis on monitoring by a Mission headed by the Finance Minister.

While the film on 'Financial Inclusion' and the Mission Document on Financial Inclusion scheduled for release at launch, are expected to help in creating awareness, the 'account opening kit' and the mobile banking facility on the basic mobile phone (USSD) envisaged on the occasion indicates the concerns of the government to end financial exclusion and usher in a new chapter in country's governance for the people. In Prime Minister's own words this Pradhan Mantri Jan Dhan Yojana lies at the core of this government's development philosophy of '**Sab Ka Sath Sab Ka Vikas**'.

[Dr. H. R. Keshavamurthy is Director (M & C) in PIB Kolkata]

GENERAL KNOWLEDGE ABOUT HEALTH

Mahatma Gandhi

We consume air not only with the lungs, but some portion of it is also taken in through the skin. On the skin, there are pores, minute and innumerable, through which we draw air.

Everybody ought to know how a thing so essential may be kept clean. Indeed, as soon as a child's understanding is adequate, he should be taught about the importance of air. If the readers of these chapters perform this easy but important task and, having acquired some general knowledge about air, live according to it, pass on the knowledge to their children and make them act in accordance, I shall regard myself as having fulfilled my task. Latrines, open spaces, narrow lanes [dirtied through misuse] and urinals, where these are separate, are the principal agencies for defilement of air. Few are aware of the harm that can be caused by the filth from latrines. When a cat or dog defecates, it generally paws a hole and, having defecated into it, it covers the faeces over with earth. Where modern water-closets do not exist, this method ought to be followed. We should keep a pail full of dry earth or ash in our latrines. Every time the latrine is used, earth or ash should be sprinkled over the faeces so as to cover them over completely. This will stop the smell, and it cannot then happen that flies and winged insects, having sat on the filth, come in contact with our bodies. One whose nose has not become defective or inured to stench can easily realize how much foul odour, filthkept uncovered can spread. If filth from a latrine were mixed in our food in our presence, we should be sick. But there is not an iota of difference between air laden with the stench from a latrine and food mixed with faeces. If there is, it is only that the latter is visible to our naked eye, while the former is not. Seats, etc., in closets should be kept absolutely clean. We are ashamed to do this kind of work ourselves, or fret at having to do it, instead of which we should feel disgust at having to use dirty latrines. Why should we not ourselves clean up the filth excreted by our own body, which we make another person take away? There is absolutely nothing bad about doing this work oneself; having learnt this for ourselves, we must teach it to our children as well. When the pail is full, the contents should be thrown into a pit, a foot or two deep, and should be well covered over with earth. If one is in the habit of going to the fields to defecate, one should go far from where people live. There, one should dig a shallow pit with a spade to get one's business over with and should fully cover the faeces with the earth dug.

We urinate any and everywhere and this fouls the air; it is a habit that must be wholly given up. Where no special place is available for urination, we should go far from where people live; having made water on dry ground, we should sprinkle the spot with earth. There are forceful reasons, however, why excreta should not be buried too deep. One is that the heat of the sun cannot then do its work and the second that it may affect the neighbouring springs.

We spit on the carpet, on the floor, in the courtyard and wheresoever we can. Spittle is often poisonous. The sputum of a tubercular patient is extremely dangerous. Germs rising from it get into the air inhaled by others and do great harm. Over and above that, the house is dirtied, but that is another matter. In this regard our duty is not to spit any and everywhere inside the house, but to keep a spittoon. Outdoors, one should spit, if one has to, on dry ground where there is plenty of dust. The sputum will mix with the dry earth and the damage will be less. Some doctors are of the opinion that tubercular patients should spit only into receptacles containing germicide. Even if a patient spits onto the dust on dry ground, the germs in his sputum are not destroyed. This dust carrying the germs rises into the atmosphere and infects others. Whether this opinion is right or wrong, we can at least learn this much from it : spitting any and everywhere is a dirty and injurious habit.

Some people are in the habit of throwing food, refuse and peelings, etc., all over. If this garbage was buried in the ground near the surface, it would not foul the air; also it would in due course make useful manure. One should never throw out perishables. It has been found from experience that these suggestions are easily put into practice, once they are understood. We have seen how air is fouled through our bad habits and how this can be stopped. We shall now consider how it should be inhaled.

[From Gujarati]

Indian Opinion, 8-2-1913

Excerpts from Collected Works of Mahatma Gandhi[CWGMG-11-XI : I-341 : pp. 458-9 : LATRINES / LAVATORIES : need for cleanliness in,}

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“ IF WE DO NOT KEEP OUR BACKYARDS
CLEAN OUR SWARAJ WILL HAVE A FOUL STENCH ”

Mahatma Gandhi

