

RURAL EMPLOYMENT PROGRAMME IN BIHAR: AN EVOLUTION

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ABSTRACT

The National Rural Employment Programme was started in October, 1980 to achieve this objective. It replaced the Food for work Programme and became a part of the Sixth Five Year Plan from 1st April, 1981.

The Finance Ministry in his Budget speech for the year 1989-90 announced a new scheme for intensive employment in backward districts with acute poverty and unemployment to be implemented in 120 districts for which a provision of R.500/- crores was mad.

As per Jawahar Rojgar Yojana guidelines, works which result in creation of durable productive community assets are taken up under the Yojana.

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.

KEYWORDS: *MGNREGA, JRY, Female Employment*

INTRODUCTION

Rural unemployment and underemployment which particularly affect the poorest segments of the rural population have been the major contributing factors to the high incidence of poverty in the rural areas notwithstanding the economic development during the past four decades. The Six Five Year Plan had alleviation of rural poverty as one of the main objectives, and the strategy adopted was aimed at redistribution of income and consumption in favor of the poorer section of the population by significantly increasing employment opportunities in the rural areas. The National Rural Employment Programme was started in October, 1980 to achieve this objective. It replaced the Food for work Programme and became a part of the Sixth Five Year Plan from 1st April, 1981.

Subsequently, another programme known as Rural Landless Employment Guarantee Programme was launched on August 15, 1983. Its principal objectives was to improve and expand employment opportunities particularly for the rural landless labour with a view to providing guarantee of employment to atleast one member of every rural landless labour household upto 100 days in a year.

The importance of employment programme in reducing rural poverty was reflected in the Seventh Five Year Plan (1985-90) which emphasized food, work and productivity : and had the objectives of providing productive employment to everyone seeking it and assigning priority to activities which contribute most effectively to this purpose, in other words,

the emphasis was to maximize both the direct and long-term employment opportunities through the investments made in this programme.

The Finance Ministry in his Budget speech for the year 1989-90 announced a new scheme for intensive employment in backward districts with acute poverty and unemployment to be implemented in 120 districts for which a provision of R.500/- crores was made. The intense on behind the new intensive employment scheme which was named as Jawahar Rojgar Yojana was that the funds allotted under the new scheme would be an addition to the existing NREP/RLEGP to provide more employment opportunities in view of their backwardness. An announcement was also made in the Budget speech that NREP and RLEGP would be merged into one programme and implemented as a centrally sponsored scheme on 75:25 sharing between the centre and the states.

The whole matter has been reconsidered and it has now been decided that NREP / RLEGP and the new programme announced by the Finance Minister (ie. Jawahar Rojgar Yojana) should be merged into one single rural employment programme to be known as Jawahar Rojgar Yojana. The expenditure under the programme is to be shared between the Centre and the States on 80:20 basis. The Central assistances under this programme is to be released to the district. Not less than 80 per cent of the allocations under the programme must be received by the village panchayats. It is estimated that the new programme will provide fuller employment opportunities to atleast one member of each family living below the poverty line who seek unskilled employment. It is also hoped that distribution of resources to village panchayats will result in increasing the coverage of the programme to all the rural areas and also ensure fuller participation of the people in its implementation.

One does not live by bread alone. It is the livelihood, self-respect, the pride in one's own occupation or job and the livelihood so earned that give the satisfaction and the joy that comes with it that keeps one alive-ticking, so it is the job – if regular its better – that earns them the invaluable sense of respect – individual as well as social. Hence a job- an assured Rojgar is the crux : the key to our endeavors of wiping out poverty, more particular among the rural poor.

The Government of India has been giving more and more thrust under the programme of alleviation of poverty and rural unemployment. A number of schemes have been introduced and are in operation such as IRDP, and RLEGP and so on.

AIMS

- Jawahar Rojgar Yojana to provide exactly this: an assured Rojgar or employment to at least one member of every family living below poverty line in the rural areas for 50 to 100 days in a year under this programme.
- The existing rural employment schemes such as NREP / RLEGP will be merged into this scheme.
- It aims at reaching every single panchayat and on an average, every Panchayat will get Rs. 80,000 to Rs. 1,00,000 in a year under this programme.
- 30 per cent of the employment of the employment generated under this programme will be reserved for women.

Under the new programme, the benefits are expected to reach directly to the people by a significantly higher degree than in the past. The involvement of local panchayat will not only minimize the cost of administration, but it will

also enhance the awareness of the rural people about the Government Schemes in general and the Jawahar Rojgar Yojana in particular.

The Reality

Indeed, Jawahar Rojgar Yojana with its gigantic programmes of rural reconstruction will hopefully beautify and change the face of rural India. Evidently, India which has about 6,05,225 villages (of which 48,085 villages are uninhabited) and 3,949 towns with 447 districts is trying hard to develop her economy through variety of programmes and is sure to become a developed nation on the World map after long. Nearly 44 million families who are living below the poverty line at present will be covered under this scheme. The centre provided 80 per cent of the funds for scheme and its very first year of operation, 1989-90, central assistance was Rs. 2100 crore of which Rs. 500 crores.

Criteria for Allocation of Resources

Allocation to States under Jawahar Rojgar Yojana is made entirely on the basis of incidence of poverty. Out of the allocation made to the States, the resources are directly given to the districts on the basis of percentage of agricultural labourers to the main workers in the rural area, percentage of SC/ST rural population to total rural population and inverse of agricultural productivity in the weights of 20:60:20 respectively.

Distribution of resources under Jawahar Rojgar Yojana is as follows :

- DRDAs/ZPs are required to distribute the funds among the gram panchayats within one month of receipt of the Central grant and the State share.
- Not less than 80 percent of the funds allocated in each district, after setting apart 6 per cent for Indira Awas Yojana are to be distributed among village panchayats in the district. The balance 20 per cent be utilized at the district level for interblock/ village works.

Opening of Bank Accounts

Jawahar Rojgar Yojana funds (Central as well as State share) are kept in a bank or post-office in an exclusive and separate savings bank account by DRDAs/ZPs/Gram Panchayats. The bank can be a nationalized bank, a scheduled bank or co-operative bank.

Drawal of Funds

Drawal of funds from Jawahar Rojgar Yojana accounts can be made only for incurring expenditure under the Yojana. At the gram panchayat level, the cheques are signed by the head of the Panchayat along with another person, specially authorized by the gram panchayat. Payment of every amount should be authorized at the meeting of the gram panchayat and the gram sabha should be informed about it.

Maintenance of Assets

A maximum of 10 per cent of the annual allocation can be used for incurring expenditure on maintenance of such assets at the district/gram panchayat level which have been created under the erstwhile programmes of NREP/RLEGP or have been created under Jawahar Rojgar Yojana and have not been taken over by a department of the State Government.

Earmarking of Funds

At the district level the balance resources, after accounting for administrative/contingent expenditure and maintenance of assets, are utilized for different sectoral works as under :

- Economically productive assets-35 per cent
- Social forestry works-25 per cent
- Individual beneficiaries scheme
- For SCs/ STs including MWS-15 per cent
- Other works including roads and Buildings-25 per cent

There is however, no sectoral earmarking of resources at the village panchayat level except that 15 per cent annual allocation must be spent on items of work which directly benefit the SCs / STs diversion of funds meant for SCs / STs is not permitted.

Work under the Yojana

As per Jawahar Rojgar Yojana guidelines, works which result in creation of durable productive community assets are taken up under the Yojana. Preference is given to works (i) having potential of maximum direct and continuing benefits to the members of poverty groups (ii) which are, owned by or are assigned to groups of beneficiaries either for direct use of the assets by the group (s) or for sale of the service/facilities created by the assets to ensure continuing income to the groups. Higher priority is given to works which are required for infrastructure of poverty alleviation programmes like DDP, DPAP, DWCRA and IRDP and construction of primary school buildings in those revenue villages which have primary schools without buildings.

Million Wells Scheme

A New Scheme of construction of irrigation wells for SCs/ STs, called Million Wells Scheme was introduced during 1988-89 for a period of 2 years as a sub-scheme of NREP/RLEGP. The scheme seeks to provide open irrigation wells, free of cost, to small and marginal farmers belonging to SCs and STs who are below the poverty line and are listed in IRDP register of the target group. The scheme is confined to open wells only and does not cover boring and tube-wells. The unit cost of wells dug under this scheme is to be as per NABARD norms. The scheme has continued under Jawahar Rojgar Yojana and its expenditure is met out of the 15 per cent resources earmarked for SCs/ STs.

Indira Awaas Yojana (IAY)

Indira Awaas Yojana (IAY) was an important component of RLEGP aimed at construction of dwelling units for the poorest of the poor belonging to SCs and STs and freed bonded labourers. The VII Plan envisages construction of one million houses under Jawahar Rojgar Yojana. The basic concept of Indira Awaas Yojana has been retained under Jawahar Rojgar Yojana. Design of house to be constructed has not been prescribed except that the plinth area should be 17-20 Sq. Mts. The permissible expenditure for each house is as follows :

- Construction of house Rs. 6000/-
- Construction of sanitary latrine & smokeless chulla Rs. 1200/-

- Cost of providing infrastructural and common facilities Rs. 3000/-

Social Audit of Jawahar Rojgar Yojana

To ensure social control of Jawahar Rojgar Yojana, meetings of the village assembly are held twice in a year. These meetings are supposed to be open to any member of the village community who is free to raise any issue regarding implementation of the programme.

Monitoring at Central/ State Level

At the Central level/ a Central Committee on Jawahar Rojgar Yojana, has been set up to provide overall guidelines. This committee lays down guidelines and monitors, supervises and evaluates the Yojana at its quarterly meetings. At the State level, the responsibility for monitoring of rural development programme is that of State level Coordination Committee (SLCC). A representative of the Department is also invited to participate in the meetings of the State Level Coordination Committee.

Land Development Provisions under Jawahar Rojgar Yojana

The development of land belonging to small and marginal farmers, who may be below the poverty line and figure in the IRDP Survey Registers, are taken up with Jawahar Rojgar Yojana funds.

Recurring costs of cultivation items like seeds, chemicals, fertilizers, insecticides, pesticides, weedicides and irrigation are not permissible under a land development project even if it forms part of the projects. Land shaping / leveling, construction of drainage, field channels and as on constitute land development.

Dimensions of the Programme

The Jawahar Rojgar Yojana is the latest in the series of National Programmes to meet the challenge of unemployment and under-employment in rural India, Its coverage is the most extensive since structurally each village is covered with schemes under the Jawahar Rojgar Yojana. This is no longer be discretionary. The designed coverage provides a cushion that can improve the employability and emolument of the landless. The inbuilt thrust on job diversification for those who work on land can loosen the shackles of social stratification.

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) with its legal framework and rights-based approach was notified on September 5, 2005. It aims at enhancing livelihood security by providing at least one hundred days of guaranteed wage employment in a financial year to every rural Household whose adult members volunteer to do unskilled manual work. The Act covered 200 districts in its first phase, on February 2, 2006, and was extended to all the rural districts of the country in phases.

During the FY 2012-13 upto 31st December, the scheme has provided employment to around 4.16 crore households through about 70 lakh works with more than 141 crore person days of employment being generated at a total expenditure about of Rs. 25000 crore. The average wage rate per day has increased from Rs. 65 in 2006-07 to about Rs. 115 in 2011-12.

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.

Outcomes of Programme Implementation in the Year 2012-13 (Upto 31st December 2012) are as Follows:

- **Employment Generated :** In 2012-13, 4.16 crore households were provided employment and 141 crore person-days of employment were generated.
- **Increasing Outreach to the poor and marginalized :** Self targeting in nature, the programme had high work participation from marginalized groups like SC/ST (38%), Women (53%)
- **Strengthening Natural Resource Base :** In 2012-13, 70 lakh works were undertaken, of which 60% for water conservation, 12% for the provision of irrigation facility on land owned by SC/ ST/BPL and IAN beneficiaries, 17% for rural connectivity and 8% for land development.
- **Financial Inclusion of the poor :** With a view to universalize the system of wage payments through institutional accounts, it has been recommended to all States to disburse wages through Post Offices and Bank Accounts. Around 8.54 crore bank and post office accounts of Mahatma Gandhi NREGA workers have been reported on MGNREGA soft for disbursement of wages.

Recent Initiatives to Strengthen MGNREGA

Over the last few years, based on reports from the field and research inputs on implementation issues and challenges, the Ministry has taken initiatives to strengthen the program implementation at grass root level.

The Fourth edition of MGNREGA Operational Guidelines, 2013 has been released on 2nd February 2013. The revised guidelines have attempted to meet important implementation challenges viz. accurate capturing of demand for the Scheme, delays in wage payment, issues of transparency and accountability.

Trends and Patterns in Female Employment

There are issues and difficulties inherent in the statistical system which means that the data on women's work is not the best. However, the extant sets do give an overall picture as regards broad trends and patterns. The period between 1999-2000 and 2004-05 show a small revival of female employment growth, where female participation rate increased by about 3 percentages, 2004-05 being the only outlier. The trend since then shows further decline which contradicts any signs of feminization. Not only is the WPR lower for women, for rural women there has been a dramatic fall, while for urban women it has stagnated.

Table 1: Formal and Informal Employment Across Organized and Unorganized Sectors (in Millions, in Parenthesis Indicate Percent Share)

| 1999-2000 | | | |
|-----------------|-----------|-------------|--------|
| Formal | 33.7 | 1.4 | 35 |
| | (62.3) | (0.41) | (8.8) |
| Informal | 20.5 | 341.3 | 361.7 |
| | (37.9) | (99.6) | (91.2) |
| Total | 54.1 | 342.6 | 396.8 |
| | (13.6) | (86.3) | 100 |
| 2004-05 | | | |
| | Organized | Unorganized | Total |
| Formal | 32.06 | 1.35 | 33.41 |
| | (52) | (0.3) | (7.30) |
| Informal | 29.54 | 396.66 | 426.2 |
| | (48) | (99.7) | (92.7) |
| Total | 61.61 | 398.01 | 459.61 |
| | (13) | (870) | 100 |
| 2011-12 | | | |
| | Organized | Unorganized | Total |
| Formal | 37.18 | 1.39 | 38.56 |
| | (45.4) | (0.4) | (8.1) |
| Informal | 44.74 | 390.92 | 435.66 |
| | (54.6) | (99.6) | (91.9) |
| Total | 81.92 | 392.31 | 474.23 |
| | (17.3) | (82.7) | 100 |

Source: Computed using unit level data of NSSO Employment – Unemployment Survey 1999-2000, 2004-05 & 2011-12.

Nature and Quality of Women's Employment

What is the nature of employment that women are in for rural women unpaid workers/helpers are the largest group (41 per cent) and then casual workers (35 per cent). Agriculture and artisanal work are in crisis and men are moving out to search for other paid work, leaving women to carry the burden and then be documented as paid self-employed or own account workers. The decline in casual workers is sharp over the period, about 4 percentages. Regular workers are in miniscule proportion (6 per cent), even if there has been an increase.

National Rural Employment Guarantee Act (NREGA)

National Rural Employment Guarantee Act (NREGA) now covers all rural areas of the country. From October 2, 2009, National Rural Employment Guarantee Scheme (NREGS) has been renamed as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

Individual Beneficiary Programmes

Works for the benefit of all indentified individuals below the poverty line are also permitted in the case of (a) SCs and STs (b) freed bonded labourers, and (c) allottees of ceiling surplus land, waste land and government land, Such works include.

- Construction of houses for individual members along with development of infrastructural facilities,
- Development of allotted land,
- Social forestry works, such as fuel wood and fodder plantation on lands owned by individuals,

- Minor irrigation works, and
- Drinking water wells.

Private land belonging to small and marginal farmers, who are below the poverty line and figure in the IRDP survey Register, may also be developed with JRY funds.

Integrated Rural Development Program

Since independence Government has allocated significant resources to alleviate rural poverty. Realizing that piecemeal efforts in the sphere of rural development have not achieved the targeted objectives, the concept of Integrated Rural Development Program [IRDP] was first proposed in the Union Budget of 1976-77 to provide self-employment opportunities to the rural poor through provision of capital subsidy and bank credit so as to help rural poor acquire productive income-generating assets and training to upgrade their skills.

Swaranjayanti Gram SwaRojgar Yojana

Since 1 April 1999, the "Swarnjayanti Gram Swa Rojgar Yojana [SGSY]" for the self-employment of the rural poor has been under implementation after restructuring and merging the erstwhile IRDP (Integrated Rural Development Programme) and its allied programs. The program aims at bringing the assisted BPL (Below Poverty Line) families above the Poverty Line through (i) organizing rural poor into Self-Help-Groups (ii) establishing micro enterprises in rural areas based on the ability of the poor and potential of each area. (iii) provision of credit linked capital subsidy to help beneficiaries acquire income-generating assets [iv] training of beneficiaries in group dynamics and skill development for managing micro-enterprises [v] marketing support with focus on market research, upgradation and diversification of products, packaging, creation of marketing facilities [vi] provision of infrastructure development fund to provide missing critical links.

National Rural Livelihood Mission

Acknowledging the fact that out of the estimated 70 million rural BPL households as per 2010 projections, as many as 45 million households still need to be organized into SHGs and the existing SHGs need further strengthening and intensive financial support, the Government approved the restructuring the SGSY as the National Rural Livelihoods Mission (NRLM) and implemented in a mission mode across the country. It has already been launched in Rajasthan in June, 2011. The Government is planning to increase the number of members in women Self-Help-Groups (SHGs) to 70 million in next five years from the current 30 million, effectively bringing one member each from all the families of BPL into the fold of the NRLM.

Post Independent Reforms in India

- **Community Development Programme [1952] and National Extension Services [1953]** : With the launching of Community Development Programme and establishing a network of National Extension Services in the villages a beginning was made to create awareness among rural communities of the potential and means of development. This institutional infrastructure at grass-root level facilitated abolition of intermediary landlords system and implemented land reforms that enabled farmers to adopt technologies in agriculture.

- **Panchayat Raj [1959]** : Panchayati Raj was created on 2 October, 1959 on the recommendations of Balvantray Mehta Study Team (1957). The team had suggested a scheme of democratic decentralization for streamlining the Community Development programme (1952), which had been introduced to bring about a silent revolution in rural society by awakening the dormant forces of progress in it.
- **High Yielding Variety Programme [1960]** : Green revolution has been the most spectacular success story from India which made the country self reliant in foodgrain production.

Recent Running Government Schemes and Programmes for Rural Development

- **Indira Awaas Yojana [1995]** : IAY is a flagship scheme of the Ministry of Rural Development to provide houses to the poor in the rural areas. The objective of the Indira Awaas Yojana is primarily to help construction/upgradation of dwelling units of members of Scheduled Castes/ Scheduled Tribes, freed bonded labourers, minorities in the below poverty line and other below poverty line non-SC/ ST rural households by providing them a lump sum financial assistance.
- **Pradhan Mantri Gram Sadak Yojana [2000]** : Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched on 25th December 2000 as a fully funded Centrally Sponsored Scheme to provide all weather road connectivity in rural areas of the country. The programme envisages connecting all habitations with a population of 500 persons and above in the plain areas and 250 persons and above in hill States, the tribal and the desert areas.
- **Mahatma Gandhi National Rural Employment Guarantee Act [2005]** : The National Rural Employment Guarantee Act, (MNREGA) was notified on 7, September, 2005. The objective of the Act is to enhance 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.
- **National Social Assistance Programme [1995]** : The National Social Assistance Programme (NSAP) then comprised of National Old Age Pension Scheme (NOAPS), National Family Benefit Scheme (NFBS) and National Maternity Benefit Scheme (NMBS), These programmes were meant for providing social assistance benefit to the aged, the BPL households in the case of death of the primary breadwinner and for maternity.

CONCLUSIONS

Jawahar Rozgar Yojana as a multidimensional development programme for rural areas in India is no doubt a gift of Central Government. As the population in rural areas is fastly increasing leaps and bounds and the unemployment problem is so severe among the youth this programme was announced in 1989-90 budget in a right time. In order to provide supplementary employment to the people in rural areas which helps not only to develop rural villages but also improves the living conditions of the people.

However, as can be easily seen, most of the criticisms of MGNREGS given above pertain to inefficiencies of implementation. The rationale of the scheme itself is not in doubt. Many observes agree that MGNREGS has the potential to transform rural economic and social relations at many levels.

According to Chandrasekhar and Ghosh, the 'inclusive' form of public spending under the MGNREGS is not only desirable from a social or welfare perspective, it is justified on economic grounds also. By providing wage income directly

to unskilled workers and in rural areas, it helps in increasing aggregate demand substantially because of the high value of multiplier in such expenditure.

The foregoing analytical review revealed that nominal impact of MGNREGS on labour market, reduction in migration and improvement and bargaining power of wages at higher ends was observed. From the preceding sections, it has been observed that the performance under MGNREGA in both the sample states is not in consonance with the rate of poverty and unemployment. The low performance has been attributed to various programmatic and implementation issues.

Social audits are not held regularly, further, but their very purpose is defeated by the extremely low levels of popular interest. Further, the social audit is not conducted as per norms which resulted in shortfall, lack of adequate publicity at the people's level-ward and panchayat level-is the prime reason for this.

MAJOR SUGGESTIONS

- The number of persons available for employment and who actually got employed under JRY was not maintained at any level.
- As Gram Panchayats are mainly responsible for planning and execution of the Yojana, it is suggested that the Gram Panchayat elections may be held regularly and in time.
- The illustrative list of works given in the JRY Manual, issued by the Ministry of Rural Development has become the exhaustive list at the operational level. Seventy five percent of the Gram Panchayats had constructed more number of assets other than those given in the illustrative list.
- As the quality of maintenance of assets in most of the cases was found to be either average or poor, it is suggested that Gram Panchayats may be involved so as to ensure a regular and good quality maintenance of the assets.
- Training of Pradhans of the Gram Panchayats and proper awareness of the Yojana may be ensured by the implementing agencies at the State and District levels.

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