Monograph Series - 9

# Planning and Implementation of National Rural Employment Guarantee Scheme in Orissa

## A Process Study

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K Hanumantha Rao

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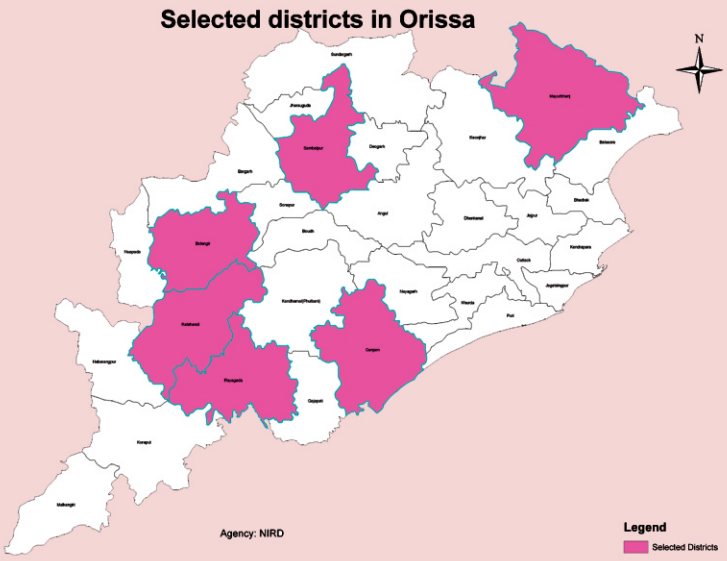


National Institute of Rural Development
Hyderabad

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# Contents

# Preface

The National Rural Employment Guarantee Act (NREGA), presently known as Mahatma Gandhi National Rural Employment Guarantee Act, is an unprecedented intervention by the Government in reforming and reenergising the (rural) labour market both by way of correcting the prevailing anomalies and in providing livelihood security to millions of rural poor. Most of the rural poor are largely dependent on the prospects of agriculture sector which is facing the problems of productivity in absolute and relative terms. The promised 100 days of guaranteed wage employment per household per annum at the stipulated minimum wages would not only reduce the rampant under and unemployment in rural areas, but also impact the stagnant wage structure for the rural unskilled workers.

The rights based NREGS emphasises on community participation in planning, implementation, monitoring and evaluation (Social Audit) of the programme. It also aims at enabling the local bodies to move towards good governance through the transparency and accountability mechanisms. Elaborate institutional arrangements have to be made to realise not only the objectives of the NREGA but also to make the formal (PRIs) and informal institutions vibrant. Thus, the efficacy of the institutional performance and active participation of the community determine the overall effectiveness of NREGS.

The Centre for Wage Employment and Poverty Alleviation (CWEPA), created in the context of the NREGS in January 2008 has taken up a process study of NREGS to document the Planning and Implementation arrangements in 11 States (Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, J&K, Madhya Pradesh, Maharashtra, Orissa, Sikkim and Uttarakhand) to understand the problems and factors influencing the differential performance across and within the regions. The CWEPA has involved the willing State Institutes of Rural Development and reputed Research Institutions to participate in this 11-State study with a view to building a network of institutional alliance to examine various thematic issues relating to NREGS on a regular basis. NIRD has designed the study, data collection instruments, sampling design

and data analysis plan. Besides the field study initiatives of CWEPA, the partner institutions have also taken the responsibility of conducting the field study in collaboration with NIRD and the associated with report writing. Pre and post-study workshops were conducted to validate the study design and instruments. A post-study working was also done to consolidate learning and agree upon the key areas of reporting and suggested action for improved implementation of the NREGS. We hope that the findings of the State-specific studies and suggested action points would benefit the delivery system to enhance the overall effectiveness of NREGS in the respective States.

**K. Hanumantha Rao**
Prof. & Head (CWEPA)

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We place on record our sincere thanks to Shri V.S. Sampath, IAS, former Director General for entrusting us with this important assignment of carrying out a process study on Planning and Implementation of NREGS in 11 States. We are grateful to Shri B.K. Sinha, IAS, former Director General, NIRD and Shri K.N.Kumar, Deputy Director General for their guidance, comments and encouragement for publishing these study reports for wider sharing with the development professionals.

Prof. P. Durgaprasad has provided valuable comments on the draft report and we profusely acknowledge his contribution.

Shri Baidhar Biswal, IAS, Additional Secretary, Panchayat Raj was very courteous to respond to our queries. We are thankful to the District Collectors in the study area Ganjam, Rayagada, Kalahandi, Bolangir, Sambalpur and Mayurbhanj for extending cooperation in the conduct of field study. We are thankful to all Project Directors of DRDA for helping the team in the conduct of field survey. The cooperation of BDOs and Sarpanches is highly appreciated. The field investigators have made very good efforts in collecting data. The data collection would not have been possible without the cooperation of the respondents. We are grateful to them for spending their valuable time with us.

**Study Team**

# Executive Summary

## Background of the Study

The Government of India launched the National Rural Employment Guarantee Scheme in February, 2006 to provide employment of unskilled nature for 100 days per household as and when they demand. The Scheme was initially launched in 200 backward districts in 27 States in the country. The present study examines the implementation processes adopted in the State of Orissa in order to provide suggestions for the improvement in the functioning of the Scheme.

## Overview of the Economy of Orissa

The growth performance of Orissa has always been lower than that of the nation. As a result, the gap in income between the nation and the State has been widening. In the post-1990 period, agricultural sector of Orissa has become almost stagnant and there is no reduction in the incidence of poverty.

Two important demographic features of the State relevant for REGS are: high proportion of weaker sections, especially scheduled tribes, in rural population and low work participation rate among rural females. Inadequate employment opportunities for females as compared to males appear to be the factor responsible for low work participation rate among rural females.

Agricultural land resources are distributed more evenly in Orissa than at the national level. The proportion of marginal holdings as well as medium and large holdings is lower than the national average. But irrigation sector has shown a very poor performance. Irrigation ratio is low and area under irrigation declined after 1992-93. The decline in irrigated area is mainly caused by decline in area under wells.

Agricultural backwardness of the State is clearly revealed in crop yields. The yield of rice, the major crop in the State, has not improved much after the 1970s. As a result, rice yield is lower than the national average by 41.5 per cent. Yields of ragi, groundnut and pulses declined between 1992-93 and 2002-03.

**Objectives of the Study**

The study is carried out in six districts viz., Ganjam, Rayagada, Kalahandi, Bolangir, Sambalpur and Mayurbhanj. It examined the following issues:

1. Methods adopted for building awareness among the poor and their adequacy and effectiveness.
2. Procedures adopted for registration of households, issue of job cards and collection of applications from workers demanding work and role played by the Gram Panchayats (GPs), officials and civil society organisations in the above activities.
3. Capacity building of officials and elected representatives for effective implementation of the Scheme.
4. Preparation of long-term plans on the basis of Gram Sabhas specially conducted by the GP and people's participation in the Gram Sabha. Delays in preparing the cost estimates and finalising the perspective plans.
5. Effectiveness of implementation procedures in the provision of employment, timely payment of wages and maintenance of job cards.
6. Quality, utility and durability of assets created. Effectiveness of Vigilance and Monitoring Committee and Social Audit.

**Characteristics of the Study Area**

The study area is more backward than the State. It has higher concentration of STs, lower urbanisation and lower literacy rate than the State. Among the six districts in the study area, the proportion of STs is very high in

Rayagada and Mayurbhanj districts and negligible in Ganjam district. In urbanisation, Mayurbhanj and Kalahandi are highly backward and Sambalpur is the most developed. In literacy, Rayagada is highly backward and Kalahandi follows it. On the other hand, Sambalpur and Ganjam have high literacy rates.

The index of overall backwardness shows that among the six districts in the study area, Kalahandi is the most backward followed by Rayagada and Bolangir. Sambalpur and Ganjam are the least backward districts.

As wage employment opportunities are poor, most of the workers are engaged in self-employment. Rayagada and Mayurbhanj have extremely low proportion of female workers in wage employment. Variations in the proportion of wage employment are very wide among female workers as compared to male workers. Kalahandi, Bolangir and Sambalpur have very high proportion of wage workers both among males and females.

Agricultural wages also reveal the poor conditions of female employment in the study area. Gender gap in agricultural wages is very high and female wages are very low in all the districts, indicating that the Scheme must have a special focus on female employment.

Incidence of rural poverty is found to be higher in the study area than at the State level and more than one half of the households are below the poverty line.

**Social Characteristics of Workers**

The participation of weaker sections in NREGS is very high and is more than proportionate to their share in population. Among the sample workers, scheduled castes account for 32.7 per cent and scheduled tribes 39.2 per cent. Their shares in total population in the study area are found to be 15.2 and 28.4 per cent, respectively. The participation of OBCs is moderate and that of OCs is very low. These facts have to be taken into account in awareness campaigns. More representation of these communities is needed in forming the beneficiary committees.

Since the State is highly backward in agriculture and income from agriculture is low, cultivators are also participating in NREGS in a significant manner. They account for 38.4 per cent of the total workers. However, their participation is very low in Sambalpur and Kalahandi districts.

**Awareness about the Provisions**

Awareness about the provisions of NREGS is very poor among the workers. Out of the six basic provisions in the Act, only three provisions viz., minimum wage, guarantee days and time limit for wage payment are known to about one half of the workers.

Awareness about the remaining three provisions is very poor. Almost all the workers are ignorant of unemployment allowance and extra wage for long distance travel. Only a small proportion of workers know that employment has to be provided within two weeks of their application.

Rayagada and Sambalpur have very poor awareness about guarantee days and minimum wage. Awareness about minimum wage is poor even in Bolangir. Ganjam and Mayurbhanj districts occupy top position in awareness. The high position of Ganjam is because of its higher level of development. The high awareness in Mayurbhanj district is due to the efforts of officials. Poor awareness about the minimum wages is partly due to the piece-rate system adopted for most of the works. Further, non-involvement of NGOs and social workers in awareness building is also responsible for poor awareness in the State.

**Registration of Workers**

The major deficiency in implementation is adoption of faulty method for the registration of workers. Job cards were issued to only those households which were identified in the BPL survey of 2002. There are many omissions in the BPL survey. Focus Group discussions revealed that out of the 12 villages surveyed, only two villages reported complete coverage. In the remaining ten villages, 10 to 15 per cent of the households have not been issued cards in eight villages and 25 to 30 per cent in the remaining two villages.

**Job Cards**

The basic deficiency in the implementation of the Scheme is faulty design of the job card. It does not provide for entering the wages paid to the worker. Revision of job cards is necessary. Photographs of the workers are not attached to any of the job cards.

In many sample villages, job cards are not with the workers. Local officials keep them and give to the workers whenever any official visit came to their notice. Workers are not aware of what is noted on the job card. When the work is done on piece-rate basis, there should be provision to note the basis of wage payment and amount of wage paid.

**Provision of Employment**

Employment is not provided as per the demand of the workers. On the other hand, whenever a work has been taken up, workers are informed about it and they are asked to apply. It is found that workers got employment on the next day of their application.

**Provision of Facilities at the Worksite**

Only about 35.0 per cent of the workers reported that first aid is provided. Drinking water is not provided at the worksite except in Mayurbhanj district. Provision of shade and crèche are totally absent. Additional payment for travel beyond five kms is also not made in most of the cases. Workers are not aware of the transparency measures like Social Audit and Vigilance and Monitoring Committee.

**Financial Performance**

The State spent an amount of Rs. 733.46 crore during 2006-07 and the expenditure in the six sample districts is nearly one half of the above amount. Utilisation rate is 82.4 per cent at the State level, but it is lower at 77.5 per cent in the study area. The norm of spending at least 60.0 per cent of the total amount on unskilled wage is not satisfied in Kalahandi and Sambalpur districts.

The minimum wage fixed for the year 2006-07 is Rs. 55 per day. The wage rate can fall below this minimum if the workers put in less than seven hours a day. This is reported in some areas particularly in Mayurbhanj district. There is a need to note down the hours spent by the workers in the muster roll.

The average wage is the lowest in Sambalpur district followed by Bolangir. It is close to the minimum wage in Rayagada and Mayurbhnaj districts. The two districts with high wage rate are Ganjam and Kalahandi. But employment generation is very poor in these two districts.

The average wage income per household is found to be Rs.3026 per annum in the study area and Rs.2830 in the State. Bolangir, Mayurbhanj and Rayagada showed good performance with an annual income ranging between Rs.3160 and Rs.4000. The performance of Ganjam is very low with an average wage income of Rs.2046. It is much lower than even the State average. The performance of Sambalpur is also far below the State average.

**Nature of Assets Created**

Rural connectivity accounts for 60.4 per cent of the total expenditure in the State and 67.4 per cent in the study area. Kalahandi, Ganjam and Rayagada districts allocated exceptionally high amounts on this. Bolangir and Mayurbhanj allotted relatively less share of about 63.0 per cent on rural connectivity. Sambalpur spent an exceptionally low amount on rural connectivity. Though the share is not very high in Rayagada, a very high proportion of expenditure is incurred on items not connected to agriculture.

In the preparation of Perspective Plan for NREGS due attention has to be paid to identify the activities that result in improvement of agricultural productivity. Even if these schemes are not identified in the NREGS Perspective Plan, they can be selected from the Comprehensive District Agricultural Plan and implemented through convergence of these two schemes.

Activities related to land development are absent in the study area except in Rayagada. Even in this district the share of land development is only 0.8 per cent of the total expenditure. Sambalpur, Mayurbhanj and Bolangir occupy top position in allocation of expenditure towards productivity increasing activities. On the other hand, Rayagada, Kalahandi and Ganjam showed very poor performance.

**Issue of Job Cards and Provision of Employment**

The Government of Orissa issued 25.93 lakh job cards in the entire State and 11.42 lakh job cards in the six sample districts. In other words, 59.9 per cent of the rural households were issued job cards. Among the sample districts, Rayagada and Sambalpur have very high coverage of about 79.0 per cent. Kalahandi stands next with 68.1 per cent coverage. Bolangir and Mayurbhanj have coverage of about 60.0 per cent. Ganjam has the lowest coverage of 45.6 per cent.

There is a need to conduct a comprehensive survey to check the participation of the existing card holders and also to issue job cards to the households who could not get earlier. There is also a need to conduct meetings with the workers who are participating in the scheme and see that irregularities in the use of cards are avoided. This can be done more efficiently by conducting Gram Sabha after door to door enumeration.

While many households complained about non-issue of job-cards, a large proportion of card holders did not demand work. At the State level only 54.3 per cent of the card holders demanded work and the remaining 45.7 per cent did not participate in the Scheme on any day during the year. This may not be the correct estimate because some households participated in the programme using the cards of others and some got work even without job cards. In the present situation there is no way of ascertaining actual participation rate in the Scheme. Once cards are issued to all the needy households, non-participants can be easily identified.

Two important indicators of performance are the proportion of households working for 100 days and average days of work per household. Only 8.2 per

cent of the households in the sample districts got employment for 100 days during the year and the performance is lower than the State average. Even at the State level only 11.1 per cent of the households got employment for 100 days. Ganjam district showed the lowest performance with only 3.4 per cent of the households getting employment for 100 days. Kalahandi and Mayurbhanj districts occupy middle position with about 7.5 per cent of the households. Bolangir, Sambalpur and Rayagada are high performance districts with more than 12.0 per cent of the households getting work for 100 days.

It may not be possible to satisfy the norm of 100 days of work if there is no demand to that extent. But days of employment provided per household is a good indicator. The average employment per household is only 57.3 days in the State and 51.9 days in the study area. This lower performance in the study area is mainly due to the poor performance of Ganjam, where employment generated is only 34.1 days during the year. Kalahandi and Sambalpur also showed poor performance with about 50.0 days of employment per household. Bolangir, Mayurbhanj and Rayagada showed good performance with about 60.0 days of employment per household.

**Intra-Household Variation in Employment Generation**

There is high variation in employment generated across villages. Only in two districts namely, Kalahandi and Bolangir, the estimates of employment for the two sample villages are very close. But Kalahandi showed poor performance in both the blocks and Bolangir showed high performance. In such a situation of high variation in employment generation across villages, an ideal sampling procedure is to increase the number of villages and reduce the sample size for each village. This needs to be taken care in future evaluation studies.

The Scheme is intended to provide employment in slack seasons. The season with highest unemployment is April to June and it is completely neglected in employment generation. More employment needs to be generated in the first quarter of the year (January – March).

The performance is also poor in the second quarter (April – June). If the poor performance in the second quarter is due to delay in the allocation of funds in the financial year, administrative arrangements must be made for the release of funds much before the budgetary allocations for the year are decided.

There is a need to identify seasonal requirements and generate employment accordingly. While non-provision of employment in the slack season defeats the purpose of the Scheme, provision of employment in the peak season will lead to tight labour market conditions. Reasons for low employment generation as well as provision of employment at wrong times have to be examined.

A major deficiency in the implementation of the scheme is poor maintenance of job cards. Entries on the job cards are wrong in many cases. In the study area, only 13.6 per cent of the households have worked for more than 75 days. Bolangir occupies the top position with 28.7 per cent of the households reporting employment for more than 75 days and Mayurbhanj stands second with 20.2 per cent. Ganjam is at the bottom with only 2.1 per cent of the households working for more than 75 days. Kalahandi and Sambalpur are the other districts with poor performance. Only about 8.0 per cent of the households worked for more than 75 days. An indicator of poor performance is the proportion of households working for less than 25 days in a year. Ganjam showed poorest performance with 51.5 per cent of the households falling in this category. Rayagada, Kalahandi and Sambalpur are the other districts with poor performance. Bolangir showed best performance with only 4.9 per cent of the households working for less than 25 days. Mayurbhanj occupies second position with 21.5 per cent of the households belonging to this category.

Employment generation for females is one of the important aspects of the programme. Female employment accounts for 33.8 per cent of total employment. Rayagada stands at the top with 52.3 per cent and Sambalpur at the bottom with 15.2 per cent. Bolangir, the district with highest employment generation also has a low participation of females. Kalahandi

and Mayurbhanj have moderate level of female employment. It is necessary to examine why female participation is low in certain areas. Is it a demand side problem or supply side problem? Supply side problem arises if conditions of work are suitable for females. Given the low wages of females in all the districts, the Scheme should focus on female employment and help raising female wage rates in the market.

**Effectiveness of the Scheme**

Effectiveness of the Scheme is measured by considering nine dimensions with several indicators in each dimension. Weights are assigned to each indicator. The State secured a score of 41.0 out of the maximum of 100. Three dimensions that are considered to be important are awareness, gains and benefits, wage payment and issue of job cards.

Mayurbhanj and Bolangir are the top performers, Kalahandi is a moderate performer and the remaining three districts viz., Ganjam, Rayagada and Sambalpur are poor performers. Rayagada's poor performance is due to low awareness, inadequate worksite facilities and delay in payment of wages. Ganjam district is backward due to lags in display of information, issue of job cards and provision of employment. Sambalpur needs emphasis on awareness creation and generation of employment.

Though gaps are identified for these lagging districts, there is a need to strengthen some dimensions in all the districts. Awareness, worksite facilities and issue of job cards have very high gap of more than 70.0 per cent. The gap in benefits derived is also high at 57.9 per cent. Hence these aspects need emphasis in all the districts. In the presently poor performers close monitoring is needed.

**Action Points**

The following actions are suggested for improving the performance of the programme:

* There is a need for organising awareness campaigns through the participation of NGOs. The State can create a cadre of para-professionals such as Social Animators and Social Organisers to mobilise the community, build awareness and provide counselling services. All these efforts could help in making the Scheme demand-led.
* A fresh survey has to be conducted for the issue of new job cards with proper design and photographs of all the workers in the household. There is a need to include a column for wages paid and the basis on which wage is paid. Any malpractices in filling the job cards have to be taken seriously.
* SIRD and ETCs have to provide comprehensive training in the preparation of village plans in a participatory manner.
* There is a need to educate the people about the schemes suitable from the point of view of the agro-economic conditions.
* Training has to be provided periodically to the elected representatives as well as the officials in certain aspects like Social Audit and convergence of NREGS Plan with various other plans like CDAP, Hariyali Plan, and Watershed Plan etc. Regular training programmes have to be conducted on these aspects to all the new incumbents.
* The Assistant Project Officers at the block level have to be equipped with necessary skills to ascertain the employment needs during the off-season for agricultural operations.
* The major deficiency in the programme is delay in wage payment. Procedures have to be evolved for quick measurement of work done. Modern methods of IT can be used for this. Additional staff has to be provided wherever needed. The deployment of Technical Assistants, Field Assistants and the Mates would hasten the process.
* Provision of obligatory facilities at the worksite should be made mandatory.

* There is a need to plan for convergence with other development programmes which will also help in maintaining labour and material ratio.

* Average wage rate is less than the minimum in four districts. There is a need to examine this problem deeply by undertaking work-time-motion studies specific to the areas.

* Participation of the card holders is low in Bolangir, Ganjam and Rayagada districts. There is a need to identify reasons and identify the households who have not participated in the Scheme throughout the year.

* NREGS funds are spent mainly on rural connectivity, which has no direct impact on agricultural productivity. Since Orissa is backward agriculturally, activities improving the productivity of agriculture have to be given priority. People should be enlightened on the need for strengthening the natural resource base and land and water resources. It is necessary to encourage works relating to farm ponds as there is private initiative and quality is ensured in these works. In the context of decline in irrigated area in recent times, farm ponds provide a good opportunity to improve agricultural productivity. This can be achieved in two ways. Firstly, the NREGS plan has to include productive schemes which will address the causal factors of poverty. Secondly, emphasis should be laid on convergence between NREGS and district agricultural plan. There should be a restriction on the use of funds for rural connectivity.

* Concerted efforts have to be made to ensure that all those households who want to work for 100 days are provided employment for 100 days.

* There is a need for verification of job cards every year and identify the reasons for households working less. This is possible only after providing re-designed job cards to all the households who need a card.

* In a block, Block Development Officer is the PO and an Assistant Project Officer is appointed to work under him. The former is busy with other development programmes and this is only an additional charge. The latter is unable to exercise his mind as he has no independent responsibility. There is no clear division of responsibilities between the PO and the APO.
* Administrative arrangements must be made for the release of funds for the first quarter of the financial year much before the budgetary allocations are decided.
* There is a need to identify the seasonal requirements and generate employment accordingly. Preparation of labour budgets in a participatory mode in consultation with the labour group would ensure this.

Old couple is waiting for employment in NREGS in Palash Village in Junagarh Block, Kalahandi District

CHAPTER I

# Overview of the Economy of Orissa

## Introduction

Alleviation of rural poverty has been the major goal of Indian economic policy since Independence. At the beginning of the planned development in India policy makers thought that the benefits of growth will percolate to the lower income groups and poverty will be eradicated. After two decades of planned economic development, it was found that there was no decline in poverty. Using the data thrown up by the National Sample Survey (NSS), Burdhan showed steep increase in the incidence of poverty by mid-sixties (Burdhan, 1974). Using the same data set Minhas showed that the incidence of poverty declined during the period. Minhas got this diametrically opposite result for two reasons (Minhas, 1974). First, he did not use the NSS data as it is. In stead he used the consumption estimates of the National Accounts Statistics. Secondly, he did not take the same year at the beginning as well as at the end. Montek Singh Ahluwalia resolved the controversy by considering the time series and showed that while the incidence remained stable, there was increase in the absolute number of poor (Ahluwalia, 1978). He also showed that incidence of poverty depends on the performance of agriculture. Other studies also showed that agricultural prices will also influence the incidence of poverty.

In order to make a dent on poverty, the Fifth Five Year Plan (1969-74) introduced direct intervention programmes to reduce rural poverty. Broadly two types of programmes viz., employment programmes and asset distribution programmes were introduced. Though several experiments were made in employment programmes, all of them have the common feature of supply side approach. The Government of India recognised the need for changing the employment programme from the supply-based to demand-based approach or the right-based approach. In May 2004, the Government of India enacted the National Employment Guarantee Act in

September, 2005 in pursuance of the Common Minimum Programme. The Act was soon translated into the action programme by launching the National Rural Employment Scheme in February, 2006. The Scheme was initially introduced in 200 backward districts in 27 States in the country. It was extended to another 130 districts in the financial year 2007-08. The Government intends to extend the Scheme to all the districts in the country in 2008-09. As the scheme is demand-driven, its effectiveness depends on the people's awareness about the provisions of the Scheme and demand work as and when they need. Given the extreme variations in the socio-economic conditions, there is a likelihood of variations in its working across States. A study of the working of the Scheme in a particular socio-economic situation helps in understanding the grassroots problems and designing the corrective measures.

As a background to the introduction of the Scheme, various employment Schemes introduced in the country are discussed briefly in Section 2. As the Study focuses on the implementation of the Scheme in the State of Orissa, a highly backward State in the country, a brief outline of the economy of Orissa is provided in a comparative perspective with all India performance in Section 3. The socio-economic profile of the State is described in Section 4. The objectives of the study and methodology adopted in terms of nature of data collected from different sources and the sampling procedure followed are discussed in Section 5. The scheme of presentation of the report is discussed in Section 6.

**Employment Programmes in India**

During the First and Second Five Year Plans, employment generation was left to the public and private investment and no special programmes were introduced. However, planners were keeping track of the employment situation by estimating the increase in the labour force and employment generated in each plan period. Employment targets are fixed for each Plan period by adding the increase in the labour force during the plan period to the backlog of unemployment at the beginning. It was only during the Third Five Year Plan that rural works programme was introduced

to provide employment for 100 days in a year for about 2.5 million persons (Planning Commission, 1962). Assurance of gainful employment for every person who needs work was explicitly recognised as a major policy objective. In the last year of the Third Plan, employment was provided for four lakh persons at an average of 100 days per person. The Fourth Five Year Plan shied away from the concept of rural works programme, thinking that the scale at which it was conceived in the Third Five Year Plan would be quite inadequate. The Planning Commission set up a Committee of Experts to enquire into the validity of unemployment estimates, given the sources of data used and the methodology adopted. The report of the Committee argued that uni-dimensional estimates of unemployment are misleading. The Committee suggested that information on employment and unemployment should be collected at short intervals as both their proportion in labour force and their characteristics change in the course of development (Planning Commission, 1970). The Fourth Plan did not continue the rural works programme initiated in the Third Plan, but introduced two major programmes viz., Small Farmers Development Agency (SFDA) and Marginal Farmers and Agricultural Labour (MFAL). Following the mid-term appraisal of the Fourth Five Year Plan in 1971, the Drought Prone Area Programme (DPAP) was introduced to cover selected areas. The Food for Work Programme (FWP) was introduced in 1977 to create employment by utilising the surplus stock of foodgrains available at that time. After the review of the working of FWP in 1980, the programme was restructured and renamed as National Rural Employment Programme (NREP). The programme aimed at generating 300 to 400 million person-days of employment and creating durable assets in rural areas.

Thinking that employment generation is only a short run solution and the problem of poverty has to be solved through the provision of productive assets, the Government of India introduced Integrated Rural Development Programme (IRDP) during the year 1978-79. Initially the programme was restricted to only 2300 development blocks which were identified for special programmes like SFDA, MFAL and DPAP. It was extended to 5011 development blocks in the year 1980. Each beneficiary under the

programme was provided an income-yielding asset with a subsidy of 25 to 50 per cent. It was stipulated that 30 per cent of the beneficiaries should be drawn from schedule castes and scheduled tribes. The Sixth Plan made an allocation of Rs.45, 000 million to assist 15 million families at the rate of 600 families per year per block. The achievements of the programme in terms of coverage of families and expenditure exceeded the targets. The coverage of the beneficiaries reached 16.5 million and the expenditure reached Rs.47, 300 million. Besides this, a sub-programme of IRDP, called Training the Rural Youth for Self-Employment (TRYSEM), was introduced and it covered nine lakh families. While self-employment programmes got emphasis, wage employment programme (NREP) was neglected during the Sixth Five Year Plan. Even the amount allocated for employment programmes could not be utilised. While the allocation was Rs.24846.7 million, utilisation was only 72.75 per cent. The utilisation of foodgrains, which forms a part of the wage, was also low. During the first year of the Sixth Plan, only 1.334 million tonnes of foodgrains were utilised against an allocation of 1.562 millions. The utilisation fell sharply to 0.712 million tonnes in the subsequent four years of the Sixth Plan. The main reason for this steep fall in utilisation is the higher issue price as compared to the market price. Realising this fact, the issue price of foodgrains was reduced by 2.5 per cent from January 1984. But, this did not improve the off-take much. Poor quality of the grain distributed and the preference of the workers for coarse cereals as compared to rice and wheat offered on the worksites are identified as the major factors for this state of affairs. During the Sixth Plan period, employment generated per year was only 354.28 million persondays.

With a view to providing employment for 100 days in a year to at least one member of each landless household, Rural Landless Employment Guarantee Programme (RLEGP) was introduced in 1983-84. The Programme generated 360 million persondays of employment in two years and over-fulfilled the targets. From 1 April 1989, RLEGP was merged with NREP and the programme was designated as the Jawahar Rojgar Yojana (JRY). The main objective of the new scheme was generation of additional

gainful employment for unemployed and underemployed persons in rural areas through creation of economic infrastructure and community social assets needed to improve the quality of life of the rural poor. The guarantee of 100 days of employment available under RLEGP was removed from the new programme. However, to protect the guarantee aspect, the strategy of JRY was modified and the second and third streams were introduced. The second stream was targeted at 128 backward districts and a target of providing 90 to 100 days of employment per person was fixed. The third stream of JRY was introduced for taking up special and innovative projects aimed at preventing migration of labour. This piece-meal approach to the problem of unemployment continued till the end of the Seventh Plan (1985-90).

During the Eighth Plan period, a new scheme called the Employment Assurance Scheme (EAS) was launched on 2 October 1993 and was implemented in 1775 backward blocks situated in drought-prone, desert, tribal and hill areas where the Revamped Public Distribution System (RPDS) was in operation. The programme was universalised from April 1997. The main objective of this scheme was to provide assurance for 100 days of casual manual employment during the lean agricultural season at statutory minimum wages to all the persons of above 18 years seeking employment. Since the scheme is demand-driven, no fixed financial allocation could be made.

The wage employment programmes were restructured in September 2001. JRY and EAS were merged into a single programme called Sampoorna Grameena Rozgar Yojana (SGRY). The emphasis was shifted from social infrastructure like roads and buildings to economic infrastructure. Further, asset creation was given top priority and employment generation was relegated to secondary objective. The programme was implemented by the panchayats.

Very strikingly, the performance of both self and wage employment programmes was dismal in the Ninth Five Year Plan – the achievement was only one half the achievement in the Eighth Plan (Table 3). Though

allocations have been increased, expenditure remained constant for self-employment programmes. The performance was even worse with decline in expenditure even in nominal terms in the Ninth Plan (1997-2002) as compared to the Eighth Plan (1992-97). Simultaneously, employment elasticity of agriculture became almost zero in the Ninth Plan period (Government of India, 2002).

Having realised the poor performance of employment programmes since the mid-1990s, the Government of India enacted the National Rural Employment Guarantee Act (NREGA) in 2005, which provides a legal guarantee for 100 days of employment in every financial year to any rural household whose adult members are willing to do unskilled manual work. To translate this 'right to work' into a reality, the Government of India launched the Rural Employment Guarantee Scheme (REGS) in February, 2006. Initially the Scheme covered 200 poorest districts out of the 593 districts in the country during the financial year 2006-07. Not much could be achieved in the first year of the Scheme as less than two months were left. In the second year of its introduction i.e. 2007-08, the Scheme was extended to another 130 districts. The Government of India intends to extend the Scheme to all the districts in the country by 2008-09.

**Table 1: Performance of employment programmes during Eighth and Ninth Plans**

| Programme | Category | Eighth Plan | Ninth Plan |
|---|---|---|---|
| Self-employment | Families assisted (lakhs) | 134 | 63 |
| | Allocation (Rs. in Crores) | 5049 | 6169 |
| | Expenditure (Rs. In Crores) | 4903 | 4716 |
| Wage employment | Employment (lakhdays) | 57275 | 32149 |
| | Allocation (Rs. in Crores) | 18691 | 23178 |
| | Expenditure (Rs. In Crores) | 22788 | 19987 |

Source: Planning Commission (2002): Tenth Five Year Plan, Government of India.

**Economic Performance of Orissa and India in a Comparative Perspective**

The performance of Orissa State is compared with that of the nation in respect of growth of national income, growth of agricultural sector and incidence of poverty.

***Growth Rates of Agriculture and All Sectors :*** The growth rates of agriculture and all sectors are computed by estimating semi-logarithmic trend equations to the data on net domestic product. The results are shown in Table 2.

The growth performance of the economy of Orissa is was always lower than that of the nation and the gap in performance increased in the post-1990 period. As a result, the gap in income between the nation and the State widened. Indian economy grew at an annual rate of 5.3 per cent per annum in the 1980s. During this period the economy of Orissa grew at 4.2 per cent per annum. The growth rate of NDP of the nation accelerated to 6.2 per cent during 1990-91 to 2006-07, but the improvement in the State is lower at 4.5 per cent per annum. While the per capita income of Orissa was 78.0 per cent of the all-India average in 1980-81, it came down to 57.3 per cent by 2004-05.

The performance of the agricultural sector was very poor in the post-1990 period at the national level as well as in Orissa. It is good both at the national level and in Orissa in the decade of 1980s. Net domestic product from agriculture and allied sectors grew at 3.3 per cent per annum in the 1980s at the national level and 3.1 per cent in Orissa. Thus the State of Orissa also grew at the same rate as the nation in the 1980s. But the growth rate at the national level slipped to 2.3 per cent in the post-1990 period and the growth rate of Orissa fell steeply to 0.7 per cent per annum and the growth rate is not statistically significant. However, the performance in the recent period gives some hope.

Agriculture suffered severely in two consecutive years namely, 2004-5 and 2006-7. This low growth had affected not only the relative incomes of the people depending on the agriculture, but also led to problems of food security.

The performance of Orissa agriculture is comparable to that of the nation in the eighties, but the performance became very poor in the post-1990s. The growth rate of NSDP from agriculture was only 0.7 per cent per annum and it is also not statistically significant, indicating that it was only random fluctuations in output rather than any trend.

**Table 2: Growth rates of national income and agricultural income**

(Per cent per annum)

| Period | Net Domestic Product | | Net Domestic Product from Agriculture | |
|---|---|---|---|---|
| | India | Orissa | India | Orissa |
| 1980-81 to 1990-91 | 5.3 | 4.2 | 3.3 | 3.1 |
| 1990-91 to 2006-07 | 6.2 | 4.5 | 2.3 | 0.7[NS] |
| 2003-04 to 2004-05 | 7.1 | 9.7 | 0.6 | 3.9 |
| 2004-05 to 2005-06 | 8.4 | 4.4 | -0.9 | 3.1 |
| 2005-06 to 2006-07 | 9.6 | NA | 6.4 | NA |

Growth rates are derived from semi-logarithmic trend equations.

NS: Not statistically significant.

***Trends in the Incidence of Poverty :*** Estimates of poverty for the recent period are highly confusing because of the changes introduced in the methodology of data collection in the 1990s. The estimates for 1993-94 are based on the uniform reference period (URP) and the estimates for 1999-00 are close to the mixed recall period (MRP). Since, poverty estimates for 2004-05 are available for both URF and MRF, it is theoretically possible to examine the decline in the incidence between 1993-94 and 2004-05 and also between 1999-2000 and 2004-05. But the estimates for 1999-2000 are not dependable as the seven day reference period was introduced for the first time and questions on both the reference periods were kept

side by side in the questionnaire. The results gave suspicion about the validity of the estimates based on the month reference period. Hence, it is appropriate to examine the changes in the incidence between 1993 and 2004-5.

Incidence of poverty declined from 36.0 per cent in 1993-94 to 21.8 per cent in 2004-05, a decline of 8.5 percentage points in eleven years (Table 3). The incidence declined from 44.5 to 36.0 per cent between 1983 and 1993-94, indicating a decline of again 8.5 percentage points in ten and half years. In other words, the annual decline remained the same since the beginning of the 1980s.

The situation of Orissa is quite different. It is a State with very high incidence of poverty at the beginning of the 1980s. After good performance in the 1980s, there is no reduction in the incidence in the subsequent period. The incidence was 65.3 per cent in 1983 and it declined to 48.6 per cent in 1993-94. But the incidence remained stagnant at 46.4 per cent in 2004-05. However, the estimates based on MRP reveal a decline of 7.3 percentage points during this period. Further, end points comparisons may not reveal the true picture. Thus, it may be concluded that Orissa is a State with a high incidence of poverty and no clear evidence of decline in the incidence in the post-1990 period.

**Table 3: Trends in incidence of poverty in Orissa and India**

| Year | Orissa | India |
|---|---|---|
| 1983 | 65.3 | 44.5 |
| 1987-88 | 55.6 | 38.9 |
| 1993-94 (Based on URP) | 48.6 | 36.0 |
| 1999-2000 (Close to MRP) | 47.2 | 26.1 |
| 2004-05 (Based on MRP) | 39.9 | 21.8 |
| 2004-05 (Based on URP) | 46.4 | 27.5 |
| Decline in 11 years (1993-94 to 2004-05) | 2.2 | 8.5 |
| Decline in five years (1999-00 to 2004-05) | 7.3 | 4.3 |

Note: URP estimates of 2004-05 are comparable with the estimates of 1993-94 and MRP estimates of 2004-05 are comparable with 1999-00.

**Socio-economic Profile of Orissa**

Located on the eastern seaboard of the peninsular India on the Bay of Bengal, the Orissa is the tenth largest State in India in terms of population. The State is surrounded by the States of West Bengal and Jharkhand in the north, Chhattisgarh in the west and Andhra Pradesh in the south. With a geographical area of 1.56 lakh square kilometers and a population of 3.67 crore in 2001, it is one of the low density States. The density of population is only 237 per square kilometer and among major States only Rajasthan and Madhya Pradesh have a lower density than Orissa. Urbanisation is also very low at 15.0 per cent.

The State experienced very low population growth of 15.9 per cent as against the increase of 21.34 per cent at the national level between 1991 and 2001. Only two States viz., Kerala and Tamil Nadu experienced a lower growth rate of population than Orissa. However, this low population growth rate is not a positive feature since the State is still in the first stage of demographic transition. While Tamil Nadu and Kerala entered the third stage of demographic transition, the State is still in the first stage of high birth rate as well as high death rate. While birth rate is declining slowly, death rate remained high leading to low population growth rate (Government of Orissa, 2004).

Sex ratio is high in the State, which may be due to a high proportion of tribal population. The State occupies third position in high sex ratio (972 females per 1000 males) among major States. Again Kerala and Tamil Nadu are ahead of Orissa.

The State has a moderate literacy rate of 53.9 per cent, but its relative position is deteriorating because of the slow growth of literacy in the State as compared to the other low literacy States. Presently only four major States viz., Bihar, Uttar Pradesh, Rajasthan and Andhra Pradesh have a lower literacy rate than Orissa.

Orissa has a very high proportion of scheduled tribes (STs) and scheduled castes (SCs). They, together, account for 38.6 per cent of the total population

of the State. The proportion of STs is high at 22.1 per cent as against 8.1 per cent at the national level. The State is next to only Madhya Pradesh in high concentration of STs. The proportion of SCs is 16.5 per cent and it is very close to the national average.

Work participation rates are available both from NSS and Census. We consider the rates available from the NSS as Census participation rates are underestimates for females. The rates of 2004-05 are compared with those of 1993-94. The State has a higher work participation rate in rural areas and lower work participation rate in urban areas as compared with the national average. This higher participation rate in rural areas is only due to high participation rates of males. Female participation rate is lower in the State than the national average. Further, there is increase in the participation rate of males in the State, while the corresponding rate for the nation showed a decline between 1993-94 and 2004-05. The female participation rate increased both at the State and national levels and the extent of increase is same. Inadequate employment opportunities for females as compared to males may be the factor responsible for this variation between males and females in the labour market. The participation rate of rural females is likely to increase with the implementation of employment schemes. In urban areas, both males and females appear to suffer from inadequate employment opportunities.

Orissa has a predominance of agricultural workforce because of low urbanisation. While 58.4 per cent of the workers are in agriculture at the national level, the proportion is as high as 64.7 per cent at the State level. This is only due to low urbanisation in the State. If the rural workforce is considered, the share of agriculture in total workforce is less than at the national level.

The State experienced a sharper decline in the proportion of agricultural workers during the 1990s than the national level. While the nation experienced a decline of 8 percentage points, the State experienced a decline of 10 percentage points in the share of agricultural workers in total workers. This decline is not a healthy sign as it appears to be the

result of push factor resulting from agricultural stagnation in the 1990s. The decade of 1980s witnessed almost constancy in the proportion of agricultural workers, indicating that the agricultural sector absorbed the growing workforce proportionately because of the high growth during the above period.

The high incidence of poverty in the State has to be related to the structure and performance of agriculture. Land use pattern is not inefficient in the State. In fact, it is more efficient than at the national level. The State has higher proportion of forest area than at the national level. The uncultivable land, other than forest, account for a smaller proportion than at the national average (Table 4). While the proportion of forest area is higher by 15 percentage points, the proportion of net area sown is lower by only nine percentage points than the national average.

**Table 4: Land use pattern in Orissa and India: 2000-01**

| Land Category | Orissa | India |
|---|---|---|
| Land under forests | 37.33 | 22.66 |
| Land not available for cultivation | 11.83 | 13.98 |
| Other uncultivated land excluding fallows | 8.46 | 9.12 |
| Fallow land | 4.95 | 8.16 |
| Land not under cultivation other than forest land | 27.24 | 31.26 |
| Net area sown | 37.43 | 46.07 |
| Geographical area | 100.00 | 100.00 |
| | (155.71) | (3062.50) |

*Figures in brackets are lakh hectares.* Source: CMIE, Agriculture.

Distribution of land is more equal in Orissa than at the national level. This can be observed in three ways. Firstly, the proportion of marginal holdings is lower in the State than at the national level. Secondly, the average size of operated area among marginal landholdings is higher than at the national level. Thirdly, medium and large holdings have a lower share in number of

holdings as well as operated area than at the national level. While 40.1 per cent of the operated area is under medium and large holdings at the national level, their share in the State is only 21.5 per cent. These holdings account for only 4.31 per cent in the State as against 7.35 per cent at the national level. Small holdings form a higher proportion in the State than at the national level. While 18.7 per cent of the landholdings are small at the national level, their share in the State is as high as 27.9 per cent (Table 5).

**Table 5: Distribution of holdings and operated area by farm-size**

(Percentage)

| Farm-Size Class | Orissa | | India | |
|---|---|---|---|---|
| | Holdings | Area | Holdings | Area |
| Marginal | 54.1 | 20.7 | 61.6 | 17.2 |
| Small | 27.9 | 29.6 | 18.7 | 18.8 |
| Semi-medium | 13.7 | 28.2 | 12.3 | 23.9 |
| Medium | 3.9 | 16.8 | 6.1 | 25.3 |
| Large | 0.4 | 4.7 | 1.2 | 14.8 |
| All Groups | 100.0 | 100.0 | 100.0 | 100.0 |
| | (39.7) | (51.4) | (1155.8) | (100.0) |

Irrigation sector is in a very bad shape in the State. The irrigation ratio is not only very low, but has declined after 1992-93. Only 22.9 per cent of the net area is irrigated in 2002-03 and it declined from 32.8 per cent in 1992-93. The decline in irrigated area is mainly caused by decline in area under wells. Out of the total decline of 7.7 lakh hectares in net irrigated area in the State, area under wells declined by 7.0 lakh hectares. Canal is the major source of irrigation accounting for about 70 per cent of the net irrigated area in the State. The major question that should be addressed is the reason for this decline in the area under wells.

Agricultural backwardness of the State is clearly revealed in crop yields. The yield of rice, the major crop in the State with a share of 56.3 per cent in the gross cropped area, is only 1.14 tonnes per hectare during the

triennium ending 2002-03 and it is lower than the national average by 41.5 per cent (Table 6). The yield gap has been increasing since the introduction of HYV technology in the late sixties. The gap in rice yield was only about 20 per cent in the beginning of seventies and it increased to 30 per cent by 1982. However, there is improvement in its relative position in the 1980s with the decline in the gap to 26 per cent by 1992. But the decade of 1990s is a very bad period for agricultural sector in the State. The gap in rice yield increased to 41.5 per cent by 2002-03. This poor performance of rice yield in the 1990s can be attributed to the decline in the irrigated area. Yield of pulses declined from 7.5 quintals per hectare in the triennium ending 1992-93 to 24.5 quintals per hectare in the triennium ending 2002-03. Similar decline is observed for ragi and groundnut. The yield gap of chillies is because of stagnation in the yield in the State while the yield at the national level grew.

**Table 6: Average yield and yield gap from national average for major crops**

(Quintals/hectare)

| Crop | TE 1972-73 | | TE 1982-83 | | TE 1992-93 | | TE 2002-03 | |
|---|---|---|---|---|---|---|---|---|
| | Yield | Gap (%) | Yield | Gap (%) | Yield | Gap (%) | Yield | Gap (%) |
| Rice | 8.8 | 21.2 | 9.0 | 30.5 | 12.9 | 25.9 | 11.4 | 41.5 |
| Ragi | 9.2 | - 5.3 | 8.1 | 19.8 | 8.3 | 30.7 | 5.4 | 59.5 |
| Groundnut | 13.5 | - 80.4 | 13.4 | 63.6 | 13.5 | - 46.0 | 8.8 | 5.4 |
| Pulses | 5.1 | - 1.7 | 6.6 | - | 7.5 | - 10.2 | 5.6 | 24.5 |
| Chillies | 7.0 | - 8.5 | 7.7 | -20.5 | 8.0 | 4.5 | 8.4 | 24.6 |

Negative values in gap indicate that yield is higher in the State than the national average.

## Objectives and Methodology

***Objectives of the Study :*** The main objective of the National Rural Employment Guarantee Scheme, 2006 is to provide guaranteed employment for 100 days in a year for the family irrespective of the members of the family participating in it. If employment could not be provided as per the demand of the household, the family is entitled to unemployment allowance. The secondary objective of the scheme is the creation of useful and durable infrastructure in the rural areas.

The major cost of the Scheme will be borne by the Central Government which consists of the entire cost of wages of unskilled workers and 75 per cent of the cost of other items namely, material cost, cost of wages of skilled and semi-skilled workers, administrative expenses and expenses on the worksite facilities. The 25 per cent of the cost of above items has to be borne by the State Government. Further, the State has to bear the entire cost of unemployment allowance and State level administrative expenses. The Act stipulates that each State has to formulate its REGS within six months of the date of commencement of the Act. The Scheme launched by the State should retain the minimum features specified in Schedule-I and Schedule-II of the Act of 2005.

The Government of Orissa launched the Scheme, known as OREGS, in January 2006. It adopted all the features of the Act, but adopted a different procedure in the issue of job cards. The issue of job cards was based on the list of households identified in the BPL Survey of 2002. As per the Act, special survey has to be conducted for registration of households for the issue of job cards. Some of the newly formed households who are not covered in the survey could not get the job cards. This defective method adopted for the issue of job cards led to several complications and irregularities in the implementation of the programme. In fact, this amounts to dilution of the spirit of the Act i.e. employment opportunity is open to all and not restricted to BPL families.

The study mainly focuses on the implementation processes adopted by the State Government and their adequacy in the context of the prevailing socio-economic conditions in the State. More specifically, the study examines the following issues:

1. Are the rural communities aware of the various legal provisions of the Scheme? What methods are adopted for building awareness among the poor? Are they adequate and efficient?
2. What are the procedures adopted for registration of households, issue of job cards and collection of applications from workers demanding work? What is the role played by the Gram Panchayats (GPs), officials and civil society organisations in the above activities? Are there any irregularities noticed in the discharge of the above duties?
3. Have the officials and elected representatives received enough training for effective implementation of the Scheme? Which levels of official and elected representatives are not very clear about the provisions of the Scheme? What corrective steps are needed to fill the gaps in capacity building?
4. Are the mechanisms adopted for planning proper? In other words, have the GPs prepared the long term plans on the basis of Gram Sabhas specially conducted for the purpose? Was there wide participation in the Gram Sabha? Were there any delays in preparing the cost estimates and finalising the perspective plans?
5. Are the implementation procedures efficient? Could the workers get employment whenever they needed? Are the wage payments made at the stipulated time and without involving corrupt practices? Whether job cards are filled properly? Are the procedures followed leading to transparency?
6. Are the assets created of good quality? What role does the civil society play in ensuring the quality of works? Is the Vigilance and Monitoring Committee effective? Whether Social Audits were conducted, if so how effective were they?

## Methodology

***Selection of Districts, Blocks and Gram Panchayats :*** The Scheme covered 19 districts out of the 30 districts in Orissa during the financial year 2006-7 (April 2006 to March 2007). It is proposed that the study may be conducted in one-third of the districts covered under the Scheme and on this basis six districts were selected for the study. These study districts represent the low, average and high performing categories with respect to NREGS. From each of the six districts, two blocks were selected. The idea of selecting in this manner is not to give any estimates for each of these categories; it is only to capture variations in performance within the State/ district as far as possible. From each block one GP was selected for a detailed study. The list of districts, blocks and Gram Panchayats selected for study are shown in Table 7.

**Table 7: Sample districts, blocks, gram panchayats and villages**

| District | Block | GP | Village |
|---|---|---|---|
| 1 | 2 | 3 | 4 |
| Ganjam | Ganjam | Khandadevuli | Balarampur |
| | Sanekhamundi | T. Govindapur | Khabarabada, Khemundikolla |
| Rayagada | Rayagada | Kulli | Uttkapadu |
| | Kolanara | Madanpur | Madanpur |
| Kalahandi | Junagarh | Palash | Palash |
| | | Taljaring | Khairmal |
| | Kesinga | Nunmath | Khasbahal |
| Bolangir | Bolangir | Bhutirbahal | Rajamunda, Jaharibahali |
| | Puintala | Bhaler | Bijabahali |
| | | | Makrupali |
| | | | Lepta |
| Sambalpur | Dhankauda | Madhupur | Madhupur, |

(Contd...)

**Table 7: (Contd...)**

| 1 | 2 | 3 | 4 |
|---|---|---|---|
| | | | Tihura, Jamadapalli |
| | Maneswar | Dhama | Dhama |
| Mayurbhanj | Baripada | Budhikamari | Kathapal, Sarupvilla, Kalaschandrapur, Prachandavilla |
| | Suliapada | Billash Mohabilla | Billash, Pandusole |

***Selection of Sample Households and Nature of Data Collected :*** The study used information collected from different sources. Firstly, a sample survey was conducted covering 40–50 households, who worked in the Scheme during the reference period. The questionnaire covers information on socio-economic background of the workers, awareness among workers on the provisions of the scheme, sources of information about the scheme, implementation procedures followed, outcomes of scheme in terms of income and employment gains to the workers and impact on poverty and also on transparency measures undertaken like social audit. Secondly, Focus Group discussions were conducted in each sample village to elicit the majority opinion about the implementation of the Scheme and critical appraisal of it. Thirdly, information was collected through a structured questionnaire from elected representatives at GP, block and district levels. Further, information was also collected from officials at the block and district levels about their views on the implementation problems. When the data were collected for the sample households, all the beneficiaries gathered at one place. For some questions like awareness about the provisions of the Scheme, all responded positively and this led to the conclusions that the awareness levels are very high. As it was felt that the data on awareness was not proper, a resurvey was carried out and this time each respondent was contacted separately at his house. The results presented on awareness are based only on the resurvey data.

**Table 8: Number of sample households in the original and resurvey**

| District | Original Survey | Resurvey |
|---|---|---|
| Ganjam | 97 | 60 |
| Rayagada | 96 | 28 |
| Kalahandi | 62 | 46 |
| Bolangir | 81 | 50 |
| Sambalpur | 77 | 33 |
| Mayurbhanj | 79 | 41 |
| Total | 492 | 258 |

**Scheme of Presentation**

The Report is organised in six chapters. Chapter I, being introductory, traces the evolution of poverty alleviation programmes with a focus on employment programmes in India. It examines the achievements of the State of Orissa in growth and poverty alleviation in comparison with India. The socio-economic profile of Orissa is brought out with a focus on agricultural development. Finally, the chapter ends with objectives of the present study and the methodology followed. Chapter II deals with institutional arrangements and profile of the study area. This chapter also examines the wages, employment and poverty in the sample districts as revealed from the 61st round of the National Sample Survey. Awareness about the provisions of the Scheme and the role of different agencies in creating awareness are discussed in Chapter III. The chapter also examines the participation of various social and occupational groups in the Scheme. Chapter IV deals with aspects relating to implementation and transparency. It starts with the issue of job cards and making of entries in it about work details of the members of the family and also examines whether worksite facilities as stipulated in the guidelines are provided or not. It also examines the procedures followed in eliciting demand of the workers for employment and transparency in measures followed like Gram Sabha for the selection of works and conducting Social Audit on the works

executed. Chapter V deals with outcomes of the Scheme in terms of days of employment provided and wages earned. With the help of the data collected during resurvey on the income earned by the family from various sources, an attempt is also made to estimate the impact of the scheme on rural poverty. Chapter VI provides a summary of the study and gives policy suggestions drawn from the earlier analysis. In order to provide a basis for comparing the performance of Orissa with other States, the overall index of performance is also brought out in this chapter.

**Summary**

There was steep decline in the expenditure on employment programmes in the Ninth Five Year Plan period. Added to this, employment elasticity of agriculture became almost zero. The Government enacted the National Rural Employment Guarantee Act (NREGA) in 2005, which provides a legal guarantee for 100 days of employment in every financial year to any rural household whose adult members are willing to do unskilled manual work. The Act was soon translated into the action programme by launching the National Rural Employment Scheme in February, 2006. The Scheme was initially introduced in 200 backward districts in 27 States in the country. It was extended to another 130 districts in the financial year 2007-08. The Government intends to extend the Scheme to all the districts in the country in 2008-09. Because of the low economic growth in the post-1990 period, the gap in income between the nation and the State of Orissa widened. The growth rate of agriculture fell sharply in the post-1990 period. Incidence of poverty is very high at 46.4 per cent in 2004-05 and there was no reduction since 1993-94.

Low density of population, low urbanisation, very low population growth, high death rate and deterioration in the relative position of the State in literacy, a high proportion of scheduled tribes (STs) are some of the important features of the State.

The State has a higher work participation rate among rural males than at the national level. But female participation rate is lower in the State than the national average. There is increase in the participation rate of males in

the State, while the corresponding rate for the nation showed a decline between 1993-94 and 2004-05. The participation rate of rural females is likely to increase with the implementation of employment schemes.

Orissa has a predominance of agricultural workforce because of low urbanisation. While 58.4 per cent of the workers are in agriculture at the national level, the proportion is as high as 64.7 per cent at the State level.

The State experienced a sharper decline in the proportion of agricultural workers during the 1990s than the nation. While the nation experienced a decline of 8 percentage points, the State experienced a decline of 10 percentage points in the share of agricultural workers in total workers. This decline is not a healthy sign as it appears to be the result of push factor resulting from agricultural stagnation in the 1990s. The decade of 1980s witnessed almost constancy in the proportion of agricultural workers, indicating that the agricultural sector absorbed the growing workforce proportionately because of the high growth during the above period.

The high incidence of poverty with no decline since the beginning of 1990s in the State is due to the poor performance of agriculture. The irrigation ratio is not only very low, but has declined after 1992-93 from 32.8 to 22.9 per cent in 2002-03. This decline is mainly caused by decline in area under wells. There is a need to identify the factors responsible for this decline.

Agricultural backwardness of the State is clearly revealed in crop yields. The yield of rice, the major crop in the State, is only 1.14 tonnes per hectare and it lags behind the national average by 41.5 per cent. The performance of other crops like pulses and ragi is also very poor. One favourable feature of the agricultural sector in the Sate is less inequality in the distribution of land than at the national level. In this scenario, NREGS has a significant role to play. It should help in the removal of high rural poverty through the improvement of rural incomes. It should help in improving the productivity of agricultural land through land development and water conservation measures. The study examines to what extent NREGS could achieve these goals.

CHAPTER II

# Institutional Arrangements and Profile of the Study Area

The study area comprises six districts in the State and two villages in each district. The socio-economic profile of the study area is described by considering demographic characteristics, structure of agriculture and incidence of rural poverty. The analysis of the structure of employment and poverty is based on the 61st round data of the National Sample Survey on employment and unemployment. The chapter is divided into four sections. Section 1 begins with broad institutional arrangements for planning and implementation of NREGS in Orissa. Section 2 examines demographic features. Section 3 deals with agriculture in which land use, cropping pattern, crop yields are discussed. Index of backwardness is computed using demographic, land use and agricultural productivity. The methodology adopted for the construction of the index of backwardness is discussed in the Appendix. Section 4 focuses on structure of employment, agricultural wages and poverty in the rural areas. Section 5 provides a summary of the analysis and conclusions.

## Institutional Arrangements

The Panchayati Raj department is the nodal agency at the State level for planning and implementation of REGS in Orissa. The Secretary of the department is the overall coordinator for REGS – Orissa. The State Institute of Rural Development has prepared a training action plan in consultation with the State PR department for imparting training to key functionaries and elected representatives of PR at various levels. During 2006-07, the State Employment Guarantee Council (SEGC) was not constituted. This has deprived the State department in terms of advisory support from the members of the SEGC for bringing qualitative changes in the overall implementation of REGS. However, it was constituted by the end of 2007 with eight non-official representatives. One Zilla Parishad president, one

Chairman of Intermediate Panchayat, one Sarpanch and four other persons from the disadvantaged groups belonging to labour unions. The first meeting was held in January 2008. State Employment Guarantee Fund was not created. State has formulated a schedule of visits and inspections by the officials at various levels with a view to monitoring the progress of the Scheme periodically. The State department has formulated strategies for publicity on NREGA, Social Audit and RTI. The State has not involved any NGO for social mobilisation and awareness building. Some of the instruments used for publicity include posters, meetings at village level and pamphlets.

At the district level, collector is the DPC and overall in charge at the level. Project Director, DRDA is the APDC. At the block level, BDO is the Project Officer and he is assisted by APDO. PO is accountable to DPC and is responsible for employment generation and payment of wages. Sarpanch and Secretary are responsible at the GP level and they are assisted by the Gram Rojgar Sevak. *Palle* Sabhas are conducted in each village and schemes are identified. They are consolidated at the GP level at the Gram Sabha. The GP Plan is sent to the Intermediate Panchayat. The PO at the block level consolidates the GP plans. Thus, PR Institutions at various levels are responsible for preparation and monitoring of the implementation.

In order to elicit information from officials and elected representatives at district, block and GP levels, schedules have been designed. These responses are summarised and presented in Annexure 1. However, schedules not filled properly and responses less reliable are not considered for processing.

**Demographic Characteristics**

The study area has several distinct demographic features. Data on these characteristics are shown in Table 9. The study area has a very low density of population. While Orissa is one of the States with low density of population, the six sample districts have a still lower density than the State. The study area has a density of 203 persons per square kilometer as

against 236 in the State. Among the six sample districts, Rayagada has the lowest density of 118 persons per square kilometer. Sambalpur and Kalahandi are other districts with low density of population of 141 and 169 persons per square kilometer. On the other hand, Ganjam has the highest population density of 385 people per square kilometer. Mayurbhanj and Bolangir have population density very close to the State average at 213 and 203 persons per square kilometer.

It is already noted that the State has a very high proportion of scheduled tribes in total population. They account for 22.1 per cent of the total population. The study area has a still higher concentration of scheduled tribes. Their share in total population is 28.4 per cent. Rayagada and Mayurbhanj have a very high proportion of scheduled tribes in total population. Their share is as high as 56.0 per cent in these two districts. Sambalpur also has high proportion of scheduled tribes in total population. Ganjam has a negligible proportion of ST population.

In respect of scheduled castes the State has more or less same proportion as the nation and the study area has a slightly lower proportion than the State at 15.2 per cent. There is not much variation across the districts in the share of scheduled castes in total population. Only Mayurbhanj district has low proportion SCs at 7.7 per cent. When both STs and SCs are taken together, Rayagada has the highest proportion of weaker sections, followed by Mayurbhanj – 69.7 per cent in the former and 64.3 per cent in the latter. Sambalpur and Kalahandi also have a high density of weaker sections. Thus, four districts namely, Rayagada, Mayurbhanj, Sambalpur and Kalahandi have relatively high density of weaker sections.

Urbanisation provides employment opportunities for workers in the nearby rural areas. Poor urbanisation indicates high demand for NREGS. While the State of Orissa in general has poor urbanisation, the situation in study area is still worse. Urban population accounts for only 13.6 per cent of total population in the study area. Mayurbanj and Kalahandi have very low urbanisation. Only about 7.0 per cent of population of these districts live in urban areas. Sambalpur district has the highest proportion of urban

population at 27.1 per cent. All the remaining three districts have moderate level of urban population. On the basis of urbanisation, it is possible to conclude that Kalahandi, Mayurbanj and Bolangir need more emphasis on employment programmes than Sambalpur district. However, there is no guarantee that the rural areas benefit from urbanisation. As shown in the next section, agricultural wages are very low in Sambalpur district which will indicate the need for employment programmes.

Education influences the effectiveness of the government programmes, especially anti-poverty programmes, because of its impact on awareness. Though literacy rate is moderate in Orissa, the study area has a very low rate of literacy. While 53.9 per cent of the people of seven years and above in Orissa are literates, only 46.2 per cent of the people in the study area are literates. Rayagada district has a distinctly lower literacy rate of only 29.8 per cent. This low literacy rate is likely to have an adverse impact on the implementation of NREGS. Our field data also indicated weak implementation in one of the two sample villages. Though slightly higher than in Rayagada, literacy is also low in Kalahandi at 38.4 per cent. On the other hand, Sambalpur has the highest literacy rate of 58.2 per cent and it is higher than even the State average literacy rate. This is partly due to higher proportion of urban population. Ganjam district occupies the second position with a literacy rate of 51.6 per cent.

Index of backwardness in demographic variables is calculated by considering five variables viz., proportion of SC, proportion of ST, reciprocal of density of population, proportion of rural population in total population and the proportion of illiterates in the population of seven years and above. These variables are standardised and combined using the UNDP methodology for the calculation of human development index.

The index of backwardness in demographic structure is found to be 0.44 for the State and 0.53 for the study area, indicating that the study area is more backward than the State. Rayagada and Kalahandi are the most backward districts in the study area. Ganjam and Sambalpur are the least backward districts. They are above the State average level of development.

The remaining two districts viz., Bolangir and Mayurbhanj occupy the middle position and their index is close to that of the average for the study area.

**Table 9 : Demographic characteristics of the sample districts**

| District | ST (%) | SC (%) | SC& ST(%) | Density / $KM^2$ | Urbani-sation (%) | Literacy Rate (%) | Index of Back-wardness |
|---|---|---|---|---|---|---|---|
| Ganjam | 2.9 | 18.6 | 21.5 | 385 | 17.6 | 51.6 | 0.34 |
| Rayagada | 55.8 | 13.9 | 69.7 | 118 | 13.9 | 29.8 | 0.84 |
| Kalahandi | 28.6 | 17.7 | 46.3 | 169 | 7.5 | 38.4 | 0.73 |
| Bolangir | 20.6 | 16.9 | 37.5 | 203 | 11.5 | 47.7 | 0.54 |
| Sambalpur | 34.5 | 17.0 | 51.5 | 141 | 27.1 | 58.2 | 0.44 |
| Mayurbhanj | 56.6 | 7.7 | 64.3 | 213 | 7.0 | 43.4 | 0.58 |
| Study Area | 28.4 | 15.2 | 43.6 | 203 | 13.6 | 46.2 | 0.53 |
| Orissa | 22.1 | 16.5 | 38.6 | 236 | 15.0 | 53.9 | 0.44 |

**Agricultural Development**

Land use pattern is one of the indicators of agricultural development. A high proportion of culturable waste indicates scope for agricultural development. Similarly, low irrigation ratio and low cropping intensity also indicate agricultural backwardness. The data for the six sample districts reveal that fallow land forms only a small proportion in the State and the study area also has the same proportion of fallow land. Rayagada and Mayurbhanj have a larger proportion of fallow land than others. The former has 10.0 per cent and the latter 8.4 per cent under fallows. Fallow land is not much in other districts. Culturable waste is very high only in Rayagada. Its extent is same as that of net area sown. There is a scope to develop culturable wasteland for crop and animal production.

Another indicator of land use is the proportion of area under crop production. Given the extent of area under forest, a high proportion of land under net area sown indicates efficient land use. The study area is comparable to the State average in the proportion of land under crops. Among the six districts, Rayagada has the lowest proportion of land under crops and it is close to one-half of the average for the study area. This low proportion of land under crops is not due to high coverage under forests; it is only due to large extent of land under fallow and culturable waste. Sambalpur also has a low proportion of land under crops, but it is only due to a large extent of land under forest cover. On the other hand, Bolangir has a very high proportion of land (50 per cent) under net area sown. But it has a low proportion of land under forest as well as fallow and culturable waste. Thus, there is a lot of scope for land development activities in Rayagada and Mayurbhanj districts.

Irrigation is the most important indicator of agricultural development. The irrigation ratio in the State as well as the study area is 32.0 per cent as compared to 42.0 per cent at the national level. Rayagada and Bolangir have very low irrigation ratios of less than 16.0 per cent. Mayurbhanj has irrigation for 26.0 per cent of the net sown area. Kalahandi and Sambalpur have about 35 per cent of the area under irrigation. Ganjam district has the highest irrigation ratio of 62.9 per cent. Canal and well are the important sources of irrigation in the State. Tank plays a negligible role with only 14.6 per cent of the irrigated area under tank.

The analysis shows that Rayagada has a very inefficient land use and Mayurbhanj stands next to it. Irrigation facility is very poor in Bolangir and Rayagada. Mayurbhanj occupies middle position.

Index of backwardness in the land use is computed by considering four variables viz., fallow, culturable waste, percentage of rainfed area and reciprocal or cropping intensity. These variables are standardised and combined in the same way as in the case of demographic index. There is not much difference between the State and the sample districts in the index of backwardness in land use pattern. Rayagada turns out as the most

backward district with a high value of the index at 0.59. Mayurbhanj occupies the second position with a high value of 0.33. On the other hand, Ganjam is the most developed district with a value of 0.12. On the other hand, the remaining three districts viz., Kalahandi, Bolangir and Sambalpur are close to the State average.

Agricultural development is reflected in the cropping pattern and crop yields. A high proportion of area under high valued crops and high crop yields provide high incomes to the farmers. While the cropping pattern in the State is more towards high valued crops, crop yields are very low in the State as well as the study area.

Except Rayagada district, all the other five districts have a high proportion of area under rice. Sambalpur and Mayurbhanj have very high proportion of area under rice. Pulses are the next in importance with a share of 21.9 per cent. Ganjam, Kalahandi and Bolangir have very high share of cropped area under pulses. Mayurbhanj and Sambalpur have relatively low share of area under pulses and this is because of the extremely high share of area under pulses. Vegetables and oilseeds are other important crops. There is not much variation in the area under pulses.

Yield of rice is only 1.7 tonnes in the study area as compared to 2.0 tonnes at the national level. Only Sambalpur has rice yield equal to the national average. Kalahandi and Bolangir have very low yield of rice. Other important crops are pulses, oilseeds and vegetables, which together account for 30.0 per cent of the gross cropped area. Yields of pulses as well as oilseeds are very lower in the study area than the State average. Thus, the study area needs a lot emphasis on crop productivity. Except Sambalpur and Rayagada districts, all the other four need emphasis on improving the crop yields, especially rice yield. Index of agricultural backwardness is worked out by using reciprocal of rice yield.

The index of overall backwardness indicates that the study area is slightly less backward than the State. Among the six districts in the study area, Kalahandi is the most backward followed by Rayagada and Bolangir. The

**Table 10 : Land use pattern in the sample districts: 2005-06**

(% to reported area)

| District | Forest (%) | Fallow (%) | Culturable Waste (%) | Net Sown Area (%) | Net Sown Area (lakh ha) | Cropping Intensity (%) | Irrigation Ratio (%) | Index of Backward-ness in Land Use |
|---|---|---|---|---|---|---|---|---|
| Ganjam | 36.2 | 3.0 | 4.2 | 43.6 | 3.80 | 169 | 62.9 | 0.12 |
| Rayagada | 37.1 | 10.0 | 18.9 | 19.9 | 1.51 | 147 | 16.1 | 0.59 |
| Kalahandi | 37.6 | 3.7 | 5.2 | 43.1 | 3.60 | 149 | 35.5 | 0.24 |
| Bolangir | 23.4 | 2.7 | 1.5 | 50.5 | 3.32 | 134 | 12.8 | 0.26 |
| Sambalpur | 54.2 | 4.8 | 2.6 | 26.7 | 1.79 | 152 | 34.1 | 0.23 |
| Mayurbhanj | 42.1 | 8.4 | 1.0 | 37.3 | 3.89 | 124 | 26.3 | 0.33 |
| Study Area | 38.6 | 5.6 | 2.0 | 37.0 | 17.91 | 145 | 32.4 | 0.25 |
| Orissa | 37.3 | 5.5 | 2.5 | 36.9 | 57.39 | 152 | 32.2 | 0.24 |

**Table 11 : Cropping pattern in the sample districts: 2005-06**

(% to GCA)

| District | Rice | Other cereals | Pulses | Oilseeds | Fruits | Vegetables |
|---|---|---|---|---|---|---|
| Ganjam | 40.5 | 0.2 | 28.2 | 8.9 | 4.3 | 7.2 |
| Rayagada | 29.8 | 1.6 | 18.5 | 17.1 | 6.5 | 7.4 |
| Kalahandi | 49.9 | 0.1 | 28.3 | 8.9 | 2.3 | 3.9 |
| Bolangir | 51.8 | — | 24.5 | 9.7 | 2.1 | 4.8 |
| Sambalpur | 58.6 | — | 14.3 | 13.9 | 3.9 | 5.3 |
| Mayurbhanj | 67.4 | 5.2 | 9.8 | 6.8 | 3.0 | 7.6 |
| Study Area | 50.3 | 0.3 | 21.9 | 9.9 | 3.4 | 6.0 |
| Orissa | 51.5 | 0.3 | 18.9 | 10.2 | 3.7 | 7.5 |

index is more than 0.45 for these three districts. Sambalpur and Ganjam are the least backward in the study area. The index of backwardness is about 0.25 for these two districts as compared to 0.38 for the entire study area.

**Table 12 : Yields per hectare (kilograms) of important crops: TE 2005-06**

| District | Rice | Small Millets | Pulses | Oil-seeds | Index of Backward-ness in Rice Yield | Index of Overall Backward-ness |
|---|---|---|---|---|---|---|
| Ganjam | 1750 | 537 | 329 | 889 | 0.27 | 0.27 |
| Rayagada | 1906 | 605 | 262 | 256 | 0.12 | 0.49 |
| Kalahandi | 1366 | 528 | 359 | 386 | 0.78 | 0.56 |
| Bolangir | 1518 | 449 | 316 | 435 | 0.55 | 0.45 |
| Sambalpur | 2050 | — | 289 | 342 | 0.00 | 0.25 |
| Mayurbhanj | 1738 | 399 | 799 | 944 | 0.28 | 0.40 |
| Study Area | 1667 | 511 | 362 | 581 | 0.36 | 0.38 |
| Orissa | 1531 | 446 | 808 | 753 | 0.53 | 0.42 |
| All India | 2050 | 416 | 696 | 1051 | Nc | Nc |

Nc: Not computed.

**Employment, Wages and Poverty in Rural Areas**

The NSS survey classifies workers into self-employed, wage-employed and regular-salaried. The third category is quite low in the rural areas. Further, their proportion is negligible among female workers. Only 1.6 per cent of the female workers are regular-salaried whereas the proportion is 8.9 per cent among males.

A majority of workers are self-employed both in the study area and the State. They account for 57.9 per cent among male workers and 69.0 per cent among female workers. Thus, self-employment is more among females than males. Wage employment accounts for 33.6 per cent among male workers and 29.4 per cent among female workers.

While there is not much difference between the State and the study area in the structure of employment for male workers, the structure of female employment is quite distinct. The share of self-employment is higher in the study area as compared to the State – 69.0 per cent in the study area and 60.8 per cent in the State. As a result, the share of wage employment is lower in the study area as compared to the State. On the other hand, only 29.4 per cent of the workers are in wage employment in the study area whereas the proportion is high at 35.8 per cent in the State. When wage employment opportunities are poor, most of the workers will be engaged in self-employment and productivity in these activities will be very low. Rayagada and Mayurbhanj have extremely low proportion of female workers in wage employment – 9.9 per cent in the former and 17.0 per cent in the latter. Variations in the proportion of wage employment are very high among female workers as compared to male workers. Kalahandi, Bolangir and Sambalpur have very high proportion of wage workers both among males and females.

**Table 13 : Percentage of workers by nature of employment: 2004-05**

| District | Male | | | Female | | |
|---|---|---|---|---|---|---|
| | Self-employment | Wage employment | Regular salaried | Self-employment | Wage employment | Regular salaried |
| Ganjam | 61.1 | 26.4 | 12.4 | 61.3 | 38.6 | 0.1 |
| Rayagada | 67.4 | 25.9 | 6.6 | 85.1 | 9.9 | 5.0 |
| Kalahandi | 49.5 | 39.8 | 10.7 | 52.7 | 45.2 | 2.1 |
| Bolangir | 46.3 | 46.9 | 6.7 | 61.3 | 36.7 | 2.0 |
| Sambalpur | 42.6 | 54.0 | 3.4 | 60.1 | 39.6 | 0.2 |
| Mayurbhanj | 68.9 | 22.5 | 8.6 | 80.9 | 17.0 | 2.1 |
| Study Area | 57.5 | 33.6 | 8.9 | 69.0 | 29.4 | 1.6 |
| Orissa | 59.2 | 32.1 | 8.4 | 60.8 | 35.8 | 3.0 |

Note: Based on NSS current weekly status.

Agricultural wages also reveal the poor conditions of female employment in the study area. Firstly, the wage rates of both males and females are lower in the study area than the State average. Secondly, the gender gap in agricultural wages is wider in the study area than at the State level. While the female wage rate is lower than that of male wage rate by 27.1 per cent at the State level, the gap is 31.6 per cent in the study area. Thirdly, inter-district variations in wage rates are very high among males. As female wages are low, variation across districts is low. Kalahandi, Sambalpur and Mayurbhanj have very low wage rate for males also. However, district-wise estimates of wage rates have to be taken with caution as the sample may not capture all the areas. On the other hand, gender differences in wage rates are highly dependable as both the rates belong to the sample villages.

Rural poverty is estimated from the unit record data of the 61$^{st}$ round employment and unemployment survey of the National Sample Survey Organisation. These estimates slightly differ from the estimates available

from the consumer expenditure data presented in the previous chapter. However, there is no problem in using these estimates for comparing the incidence across districts. Incidence of rural poverty is found to be higher in the study area than at the State level. While the incidence at the State level is 42.5 per cent, it is 50.3 per cent in the study area. The higher incidence in the study area as compared to the State is because of the high incidence in Sambalpur, Kalahandi and Bolangir. The higher incidence of rural poverty in these three districts is due to low wage rates and higher dependence of workers on wage employment.

**Table 14 : Average daily money wages of casual labour: 2004-05**

(in Rs.)

| | Male Wage | Female Wage | Gap (%) | Rural poverty (%) |
|---|---|---|---|---|
| Ganjam | 40.7 | 29.0 | 28.8 | 34.1 |
| Rayagada | 55.4 | 25.5 | 53.9 | 51.1 |
| Kalahandi | 26.5 | 24.4 | 7.9 | 65.9 |
| Bolangir | 27.7 | 21.8 | 21.0 | 58.9 |
| Sambalpur | 25.2 | 22.4 | 11.2 | 72.6 |
| Mayurbhanj | 34.9 | 25.3 | 27.4 | 50.3 |
| Study Area | 36.7 | 25.1 | 31.6 | 50.7 |
| Orissa | 39.8 | 29.0 | 27.1 | 42.5 |

**Characteristics of Selected Villages**

***Ganjam District :*** Ganjam and Sanakhamundi blocks are selected from Ganjam district. Khandadevuli Gram Panchayat is selected from the former and T.Govindapur Gram Panchayat from the latter.

Khandadevuli has irrigation facility. Paddy, groundnut and blackgram are the major crops. Balarampur village is selected from Khandadevuli GP. This is a developed village. But people migrate for six months from January every year. They go to Bombay and Surat. One worker will be migrating from each household. It is an age-old practice and it is not necessarily distress migration. Males get high wages but female wages are very low.

Males get Rs. 60 per day and females get Rs. 30 to Rs. 35 per day. NREGA employment is needed for six months from January.

Kabarabada and Khemundikolla villages are selected from T.Govindapur GP. These are tribal villages. Paddy, banana, maize, vegetables and pulses are the crops grown in the village. All the households belong to tribal community. One half of the households got benefited under distribution of government land and the remaining households have been cultivating government land. All the households are marginal farmers. They need employment from February to June every year. Wage rates are same for males and females at Rs. 50 in the peak season and Rs. 40 in the slack season.

***Rayagada District :*** Rayagada and Kolanara blocks are selected from this district. The sample was taken from Uttkapadu village in Kuli Gram Panchayat in Rayagada block. It is highly backward. Paddy is the only crop. Most of the households belong to tribal community. It is an agriculturally backward village. Agricultural wages are Rs.40 for males and and Rs. 35 for females. Employment is needed from February onwards till the end of June.

Madanpur village is selected from Madnapur GP in Kolanara block. It is slightly more developed than Uttkapadu. There is crop diversification in the village. Commercial crops like cotton and vegetables are also grown in the village. Agricultural wages range between Rs.35 and Rs. 50 for males and Rs. 35 and Rs. 45 for females. Employment is needed from February onwards till the end of June.

***Kalahandi District :*** Kesinga and Junagarh blocks are selected from this district. Nunmath Gram Panchayat is selected from Kesinga block and sample households are taken from Khasbahal village in the Gram Panchayat. It is a tribal village. People are unemployed from December to June. Agricultural wage in the village is Rs.40 per day for males and 30 per day for females.

Palash Gram Panchayat is selected from Junagarh block. Survey is conducted in the same village. The village is highly developed. The problem of unemployment exists because of absence of agricultural activities after the kharif season.

***Bolangir District :*** Bolangir and Puintala blocks are selected from this district. Bhutirbahal Gram Panchayat is selected from Bolangir block. Rajamunda and Jaharibahali villages are selected from this GP. There is no irrigation facility in these villages. Paddy is the only crop grown in the kharif season. There is no crop in the rabi season. There is heavy rainfall in the month of June due to which houses are also damaged. Employment is needed from November onwards. Agricultural wages are Rs. 50 for males and Rs. 40 for females in peak season.

Bhaler GP is selected from Puintala block. Bijabahali, Makrupali and Lepta villages are selected in this Gram Panchayat. They need employment from December to May. Paddy is the only crop in the village. Wage employment programmes are needed for six months from January.

***Sambalpur District :*** Dhankauda and Maneswar blocks are selected from Sambalpur district. Madhupur GP is selcted from Dhankauda block and Dhama GP is selected from Maneswar. Three villages viz., Madhupur, Tihura and Jamadapalli are selected from Madhupur GP. Dhama village is selected from Dhama GP. Wage rate is Rs. 50 for both males and females in these villages.

***Mayurbhanj District :*** Budhikhimari Gram Panchayat is selected from Baripada block. It is completely a tribal area. Four villages from this GP are selected viz., Kathapa, Sarupvilla, Kalaschandrapur and Prachandavilla are selected from this GP. People form these villages want employment between January to April. Wage rate is only Rs.35 but it has risen to Rs.50 after the implementation of the Scheme. The wage gap between male and female is Rs.5. There is no migration from the village. Billash and Mohabilla GPs are selected from Suliapada block. One village from each GP are selected, they are Billash and Pandusole.

**Summary**

The State of Orissa has four distinct demographic characteristics as compared to the nation - lower density of population, lower rate of urbanisation, higher proportion of ST population and higher sex ratio. The study area has still lower density of population, lower rate of urbanisation, higher proportion of ST population and higher sex ratio. The index of backwardness shows that the study area lags behind the State. The study area does not differ much from the State in land use and crop yields are slightly better in the study area than at the State level. Only pulses and oilseeds show a poor yield performance in the study area. Rice, the major crop in the area has distinctly higher yield in the study area than the State average. When the three dimensions of backwardness are combined, the study area is found to be less backward than the State.

The study area has a distinct pattern of female employment as compared to the State. Self-employment is more dominant in the study area than the State and as a result the proportion of workers in wage employment is lower. Wage rates of both males and female workers are lower in the study are as compared to the State. Further, the gap between male and female wage rates is higher in the study area than at the State level. Incidence of rural poverty is also higher in the study area than at the State level.

It is already noted that the State has a very high proportion of scheduled tribes in total population. They account for 22.1 per cent of the total population. The study area has a still higher concentration of scheduled tribes. Their share in total population is 28.4 per cent. Rayagada and Mayurbhanj have a very high proportion of scheduled tribes in total population. Their share is as high as 56.0 per cent in these two districts. Sambalpur also has a high proportion of scheduled tribes in total population. Ganjam has a negligible proportion of ST population.

In respect of scheduled castes, the State has more or less same proportion as the nation and the study area has a slightly lower proportion than the State at 15.2 per cent. There is not much variation across the districts in

the share of scheduled castes in total population. Only Mayurbhanj district has low proportion of SCs at 7.7 per cent. When both STs and SCs are taken together, Rayagada has the highest proportion of weaker sections, followed by Mayurbhanj – 69.7 per cent in the former and 64.3 per cent in the latter. Sambalpur and Kalahandi also have a high density of weaker sections. Thus, four districts namely, Rayagada, Mayurbhanj, Sambalpur and Kalahandi have relatively high density of weaker sections.

Ganjam has very low proportion of scheduled tribes in total population. Sambalpur has very low sex ratio of 969 females per thousand males. It is difficult to make any generalisations about sex ratio differences across the sample districts. It may be possible that migration to outside areas in search of employment may be responsible for differences in sex ratio. Information from the Focus Group Discussions reveals that Khabarabada village in Ganjam district has high seasonal migration of labour.

Urbanisation provides employment opportunities for workers in the nearby rural areas. Poor urbanisation indicates high demand for NREGS. While the State of Orissa in general has poor urbanisation, the situation in the study area is still worse. Urban population accounts for only 13.6 per cent of total population in the study area. Mayurbanj and Kalahandi have very low urbanisation. Only about 7.0 per cent of population of these districts live in urban areas. Sambalpur district has the highest proportion of urban population at 27.1 per cent. All the remaining three districts have moderate level of urban population. On the basis of urbanisation, it is possible to conclude that Kalahandi, Mayurbanj and Bolangir need more emphasis on employment programmes than Sambalpur district. However, there is no guarantee that the rural areas benefit from urbanisation. As shown in the next section, agricultural wages are very low in Sambalpur district which will indicate the need for employment programmes.

Education influences the effectiveness of the government programmes, especially anti-poverty programmes, because of its impact on awareness. Though literacy rate is moderate in Orissa, the study area has a very low

rate of literacy. While 53.9 per cent of the people of seven years and above in Orissa are literates, only 46.2 per cent of the people in the study area are literates. Rayagada district has a distinctly lower literacy rate of only 29.8 per cent. This low literacy rate is likely to have an adverse impact on the implementation of NREGS. Our field data also indicated weak implementation in one of the two sample villages. Though slightly higher than in Rayagada, literacy is also low in Kalahandi at 38.4 per cent. On the other hand, Sambalpur has the highest literacy rate of 58.2 per cent and it is higher than even the State average literacy rate. This is partly due to higher proportion of urban population. Ganjam district occupies the second position with a literacy rate of 51.6 per cent.

Index of backwardness in demographic variables is calculated by considering five variables viz., proportion of SC and ST population, reciprocal of density of population, proportion of rural population in total population and the proportion of illiterates in the population of seven years and above. These variables are standardised and combined using the UNDP methodology for the calculation of human development index.

The index of backwardness in demographic structure is found to be 0.44 for the State and 0.53 for the study area, indicating that the study area is more backward than the State. Rayagada and Kalahandi are the most backward districts in the study area. Ganjam and Sambalpur are the least backward districts. They are above the State average level of development. The remaining two districts viz., Bolangir and Mayurbhanj occupy the middle position and their index is close to that of the average for the study area.

## APPENDIX

The index of backwardness is calculated on the same lines as the human poverty index with a slight difference that the indicators used in this exercise have to be normalised as in the case of human development index. Taking into account the availability of data, three basic dimensions are considered:

1. Demographic structure, as measured by proportion of STs and SCs, density of population, literacy rate and urbanisation
2. Land use pattern, as measured by proportion of fallow land and cultivable wasteland in geographical area, irrigation ratio and cropping intensity
3. Agricultural productivity, as measured by yield of rice per hectare

Since some of these measures indicate development and some backwardness, the former are redefined to reflect backwardness. Instead of taking density of population, geographical area per 1000 persons (reciprocal of density of population) is used. Instead of taking literacy rate, the percentage of illiterates in total population (7 years and above) is considered. Similarly, instead of taking urbanisation, the proportion of rural population in total population is considered. Irrigation ratio is converted as the proportion of un-irrigated area in the net area sown. The reciprocal of cropping intensity is used. The higher the value of this indicator, the higher is the backwardness. Since rice is the major crop in the State accounting for more than one half of the gross cropped area, yield of rice is used.

Performance in each dimension is expressed as a value between 0 and 1 by applying the general formula:

$$\text{Dimension Index} = \frac{\text{Actual Value} - \text{Minimum Value}}{\text{Maximum Value} - \text{Minimum Value}}$$

The maximum and minimum values are taken from the data pertaining to districts in the State. Index of backwardness for each of these indicators is first calculated as simple average of the indices of different dimensions and the index of overall backwardness is calculated again as the simple average of the three dimension indices.

Collecting information from respondents in Kalahandi District, Kesinga Block

CHAPTER III

# Awareness Among Workers About the Provisions of NREGS

## Introduction

The success of NREGS depends mainly on the awareness among workers about the provisions of the scheme. As the awareness among workers increases, they can demand for the implementation of the provisions made in the Scheme. This chapter examines the data on the awareness among workers about the provisions made in the Scheme. Before examining the awareness levels, the socio-economic characteristics of workers participating in the Scheme are examined in Section 2. The Scheme has six main provisions. These provisions are discussed in Section 3. The results of the household survey on awareness of workers about all the provisions of the NREGS are discussed in Section 4. Finally, suggestions for improving the awareness among workers are presented.

## Socio-economic Characteristics of the Workers

A very high proportion of workers participating in the NREGS belong to weaker sections. Among the sample workers, scheduled castes account for 32.7 per cent and scheduled tribes 39.2 per cent (Table 15). Their shares in total population in the study area are found to be 15.2 and 28.4 per cent, respectively. Thus, scheduled castes depend much more than scheduled tribes on NREGS employment. This is quite natural because the proportion of landless households is higher among scheduled castes than scheduled tribes. The participation of both these communities together is 71.9 per cent. But their share in total population is only 43.6 per cent. When such a high proportions of weaker sections are participating, awareness about their entitlements becomes highly crucial to achieve the intended results from the programme. The participation of OBC is moderate and that of OC is very low. These facts have to be taken into account in awareness

campaigns. More representation of these communities is needed in forming the beneficiary committees. Among the six sample districts, Rayagada and Sambalpur have very high share of weaker sections among the NREGS workers. Several factors may be responsible for this. Rayagada is a highly backward district and Sambalpur is agriculturally prosperous district. In the agriculturally prosperous areas, the proportion of landless households is high and they generally belong to weaker sections.

**Table 15 : Distribution of participating households by caste**

(Percentage)

| District | SC | ST | SC&ST | OBC | OC | Total |
|---|---|---|---|---|---|---|
| Ganjam | 17.5 | 48.5 | 66.0 | 28.9 | 4.1 | 100.0 |
| Rayagada | 19.8 | 71.9 | 91.7 | 7.3 | 1.0 | 100.0 |
| Kalahandi | 54.8 | 11.3 | 66.1 | 32.3 | 1.6 | 100.0 |
| Bolangir | 34.6 | 12.3 | 46.9 | 51.9 | 0 | 100.0 |
| Sambalpur | 48.1 | 45.5 | 93.6 | 3.9 | 0 | 100.0 |
| Mayurbhanj | 32.9 | 31.6 | 64.5 | 10.1 | 2.5 | 100.0 |
| State | 32.7 | 39.2 | 71.9 | 22.0 | 1.6 | 100.0 |

Since the scheme is providing only unskilled manual work, it is expected that agricultural labour will have higher participation than cultivators. But when the incomes from cultivation are very low, even the cultivators may participate at a high rate in the programme. The results show that a significant proportion of workers are cultivators. While labour households account for 61.6 per cent of the participants, cultivators account for 38.4 per cent (Table 16). The participation of cultivators is very low in Sambalpur district. Most of the workers belong to labour households. Participation of cultivators is low in Kalahandi district also.

**Table 16 : Distribution of participating households by occupation**

(Percentage)

| District | Cultivator | Agricultural Labour | Non-agric-Labour | Others | Total |
|---|---|---|---|---|---|
| Ganjam | 67.0 | 9.3 | 20.6 | 1.0 | 100.0 |
| Rayagada | 38.5 | 20.8 | 38.5 | 0 | 100.0 |
| Kalahandi | 22.6 | 40.3 | 37.1 | 0 | 100.0 |
| Bolangir | 44.4 | 32.1 | 23.5 | 0 | 100.0 |
| Sambalpur | 5.2 | 48.1 | 46.8 | 0 | 100.0 |
| Mayurbhanj | 41.8 | 49.4 | 8.9 | 0 | 100.0 |
| State | 38.4 | 31.7 | 28.9 | 0.2 | 100.0 |

A clear picture about occupational status of the workers emerges if the workers are classified on the basis of the landholding because a significant proportion of the labourers cultivate land. When the sample workers are classified on the basis of the size of landholding, it is found that the landless are 55.3 per cent and 44.7 per cent of the workers cultivate land (Table 17). Thus, the participation of cultivators is quite high, though most of them derive major share of their income from wage employment. However, almost all the workers with land are sub-marginal and marginal farmers (less than one hectare). In Sambalpur and Mayurbhanj districts, all the workers with land are only sub-marginal farmers with less than one acre of land. When a significant proportion of workers are cultivators, it is easy to create awareness about the programme. In this respect, Ganjam is better placed than the other five districts since 74.2 per cent of the workers have land and Sambalpur occupies the lowest position with 87.0 per cent of the workers being landless. In Mayurbhanj and Bolangir districts also about one half of the workers possess land. Rayagada and Kalahandi also occupy a low position with about 63.0 per cent of the workers being the landless.

**Table 17 : Distribution of participating households by size of landholding**

(Percentage)

| District | Landless | Sub-marginal | Marginal | Total Marginal | Small | Medium & Large | Overall |
|---|---|---|---|---|---|---|---|
| Ganjam | 25.8 | 30.9 | 37.1 | 68.0 | 5.2 | 6.2 | 100.0 |
| Rayagada | 62.5 | 10.4 | 20.8 | 31.2 | 4.2 | 6.3 | 100.0 |
| Kalahandi | 62.9 | 25.8 | 9.7 | 35.5 | 0 | 0 | 100.0 |
| Bolangir | 51.9 | 33.3 | 14.8 | 48.1 | 0 | 0 | 100.0 |
| Sambalpur | 87.0 | 13.0 | 0 | 13.0 | 0 | 0 | 100.0 |
| Mayurbhanj | 49.4 | 49.4 | 0 | 49.4 | 0 | 0 | 100.0 |
| State | 55.3 | 26.8 | 15.0 | 41.8 | 1.8 | 2.4 | 100.0 |

**Main Provisions of the NREGS**

The basic objective of the Scheme is to enhance the livelihood 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 work. The Scheme is open to all rural households in the areas notified by the Central Government. All adult members to the household who register may apply for work. To register under the Scheme they have to be residing within the Gram Panchayat area. This includes migrant families of that area. Along with ensuring livelihood security, the Scheme is expected to help in achieving other developmental goals like generating productive assets, protecting the environment, empowering rural women, reducing rural-urban migration and fostering social equity.

The Scheme has six important provisions. The first and foremost provision relates to period of guarantee of employment. The Scheme provides guarantee for 100 days of employment in a financial year for the household as a whole. Any member in the household can demand work within the guarantee. All rural households who are willing to supply unskilled labour are eligible to avail of the opportunity. There should be no discrimination

based on income and applies to the poor as well as the non-poor. The only condition is that they should register for participation in the Scheme and should be willing to supply unskilled employment.

The second provision of the Scheme is the payment of minimum wage fixed by the State Government for agricultural labourers. This minimum wage is fixed for seven hours labour per day. The minimum wage per seven hours of work should be known to the worker and wide publicity has to be given as soon as the minimum wage is revised. The wage initially fixed should be related to poverty line and revisions have to be based on the increase in the consumer price index of agricultural labourers during the period.

The third provision is regarding the time limit for wage payment. It is desirable that a part of the wage is paid on daily basis and the remaining part is paid at the end of the week on a particular day at a public place with muster rolls read out. If wage payment is delayed beyond 15 days, workers are entitled for compensation.

The fourth provision relates to the time limit for provision of employment after the worker applies for it. Each worker has to be provided work within 15 days after he submits his application. If work is not provided within 15 days, the applicant is entitled for unemployment allowance.

The fifth provision relates to unemployment allowance. If work is not provided within 15 days from the date on which work is requested, the applicant is entitled for unemployment allowance at 25 per cent of the minimum wage for the first 30 days and 50 per cent of the minimum wage for the subsequent period.

The last provision about the employment programme is the extra wage to be paid if work is provided at distance of more than five kilometers from the residence of the worker. This amount is related to the minimum wage that a worker is paid. The Act specifies that a worker has to be paid 10 per cent of the wage as extra payment for long distance travel.

Awareness about the higher wage will have the advantage that worker may not insist that they should be provided work at their doorstep.

**Awareness about the Provisions**

Most of the workers are not aware of the provisions of NREGS. Out of the six provisions, awareness is moderate in the case of three provisions viz., minimum wage, guarantee days and time limit for wage payment. In the first survey, the workers came to the investigators in groups of four or five. They just repeated what the other worker said. They expressed high levels of awareness. At the time of resurvey workers are not allowed to assemble at one place. They were contacted at their residences. Then the actual situation of the worker is elicited. On each of these three aspects, less than half of the workers are aware of the provision.

Two most important provisions of the Scheme are 100 days of guarantee and minimum wage. It is striking that 55 per cent of the workers are not aware of even the most important provision of the days of guarantee and 49.4 per cent of them are not aware of the minimum wage. Time limit for wage payment is not known to 52.5 per cent of the workers (Table 18).

The levels of awareness regarding the remaining three provisions are very poor. Almost all the workers are ignorant of unemployment allowance and extra wage for long distance travel. Only a small proportion of workers (17.6 per cent) know that employment has to be provided within two weeks of their application. Thus, three provisions are known to about one half of the workers and one provision is known to only 17.6 per cent of the workers. The remaining two provisions are not known to any of the workers. Rayagada and Sambalpur have very poor awareness about guarantee days and minimum wage. Awareness about minimum wage is poor even in Bolangir. This is partly due to the implementation of piece-rate for wages. Ganjam and Mayurbhanj districts occupy top position in awareness. The high position of Ganjam is because of its higher level of development. The high awareness in Mayurbhanj district is due to the efforts of officials. It is found in the field survey that all the information about implementation is written on the walls of the Panchayat office.

It is found during the field work that many workers refuse to participate in the activity in other villages and insist that they should be provided work in the same village. If the extra wage is paid for travelling beyond five kilometers, some of the workers may be willing to travel.

**Table 18 : Households expressing awareness about the main provisions of NREGS**

(Percentage)

| District | Days of Guarantee | Minimum Wage | Time Limit for Getting Work | Time Limit for Wage Payment | Extra Wage for Long Travel | Unempl-oyment Allowance |
|---|---|---|---|---|---|---|
| Ganjam | 50.0 | 75.0 | 30.0 | 45.0 | 1.7 | 0.0 |
| Rayagada | 14.3 | 14.3 | 32.1 | 32.1 | 0.0 | 3.6 |
| Kalahandi | 37.0 | 58.7 | 15.2 | 56.5 | 4.3 | 4.3 |
| Bolangir | 52.0 | 22.0 | 16.0 | 38.0 | 0.0 | 2.0 |
| Sambalpur | 34.4 | 33.3 | 9.1 | 33.3 | 0.0 | 0.0 |
| Mayurbhanj | 65.9 | 75.6 | 0.0 | 70.7 | 7.3 | 0.0 |
| State | 44.7 | 50.6 | 17.6 | 47.5 | 2.4 | 1.2 |

Households are classified on the basis of the number of provisions about which workers are aware. It is found that 25.3 per cent of the workers are not aware of even a single provision (Table 19). In other words, 74.7 per cent of the households are aware of at least one provision. The proportion of workers knowing at least two provisions is 53.3 per cent and the proportion knowing three provisions is 26.5 per cent. Only 1.2 per cent of the workers know five provisions and none of the workers knows all the six provisions.

Rayagada is the most backward district in awareness with 42.9 per cent of the workers not aware of even a single provision of NREGS. Sambalpur and Bolangir are also highly backward with about 35.0 per cent of the workers being unaware of even a single provision. No worker is aware of more than

four provisions. Mayurbhanj district is an exception with a very small proportion of workers being unaware of any of the six provisions of NREGS. It is appropriate to examine this level of awareness across districts in regard to the three provisions viz., days of guarantee, minimum wage and time limit for payment of wages.

**Table 19 : Percentage of households by number of main provisions of NREGS known**

(Percentage)

| District | None | At Least One | At Least Two | At Least Three | At Least Four | At Least Five | All Six |
|---|---|---|---|---|---|---|---|
| Ganjam | 13.3 | 86.7 | 66.7 | 38.3 | 10.0 | - | - |
| Rayagada | 42.9 | 57.1 | 32.1 | 7.1 | - | - | - |
| Kalahandi | 26.1 | 73.9 | 54.3 | 30.4 | 13.0 | 4.3 | - |
| Bolangir | 34.0 | 66.0 | 38.0 | 16.0 | 8.0 | 2.0 | - |
| Sambalpur | 37.5 | 62.5 | 31.3 | 12.5 | 6.3 | - | - |
| Mayurbhanj | 9.8 | 90.2 | 82.9 | 41.5 | 4.9 | - | - |
| State | 25.3 | 74.7 | 53.3 | 26.5 | 7.8 | 1.2 | - |

In addition to the six main provisions, there are three other aspects about which workers are expected to be aware. Right to information, Social Audit and the appropriate officials for making complaint are three other provisions. They are least aware of Social Audit which is directly relevant and important for effective implementation of the Scheme (Table 20).

While a high proportion of workers have got some information about NREGS, very few of them have got information about RTI and even in this respect GP is the main source. Bolangir is very backward in terms of information about RTI. In other districts, only about 15.0 to 25.0 per cent of the workers heard about RTI. But it is mainly though GP. Next to GP and officials, friends and relatives also played an important role.

**Table 20 : Percentage of households aware of other provisions as per resurvey**

(Percentage)

| District | RTI | Social Audit | To Whom to Complain |
|---|---|---|---|
| Ganjam | 28.3 | 13.3 | 31.7 |
| Rayagada | 10.7 | 7.1 | 28.6 |
| Kalahandi | 26.1 | 0.0 | 50.0 |
| Bolangir | 32.0 | 0.0 | 38.0 |
| Sambalpur | 9.1 | 0.0 | 39.4 |
| Mayurbhanj | 31.7 | 0.0 | 61.0 |
| State | 25.1 | 3.9 | 42.0 |

**Sources of Information**

Workers have to be informed about the Scheme and also all the provisions of it. It will be more useful if various methods like meetings, distribution of pamphlets etc. are used for popularising the Scheme. The results show that such methods were not adopted. Most of the workers got information about the Scheme from Gram Panchayat and officials. The result has to be understood with caution because information need not be about the details and provisions of the Scheme. The role of GP is high uniformly in all the villages. But the role of officals is low in Ganjam and Rayagada districts.

**Table 21 : Sources of information about employment guarantee scheme**

(Percentages)

| District | GP | Officials | Radio,TV & Newspaper | Friends & Relatives |
|---|---|---|---|---|
| Ganjam | 94.8 | 35.1 | 2.1 | 38.1 |
| Rayagada | 92.7 | 54.2 | 2.1 | 21.9 |
| Kalahandi | 100.0 | 67.7 | 0 | 12.9 |
| Bolangir | 98.8 | 67.9 | 1.2 | 0 |
| Sambalpur | 98.7 | 74.0 | 2.6 | 5.2 |
| Mayurbhanj | 100.0 | 70.9 | 0.0 | 2.5 |
| State | 97.2 | 60.2 | 1.4 | 14.6 |

Note: NGOs, Campaigns and Survey are non-existent.

**Table 22 : Sources of information about Right to Information Act**

(Percentages)

| District | GP | Officials | Radio,TV & Newspaper | Friends & Relatives | Others |
|---|---|---|---|---|---|
| Ganjam | 16.5 | 12.4 | 0 | 20.6 | 5.2 |
| Rayagada | 14.6 | 11.5 | 1 | 4.2 | 2.1 |
| Kalahandi | 21.0 | 11.3 | 1.6 | 6.5 | 1.6 |
| Bolangir | 8.6 | 4.9 | 1.2 | 1.2 | 1.2 |
| Sambalpur | 18.2 | 11.7 | 0 | 0 | 0 |
| Mayurbhanj | 15.2 | 6.3 | 1.3 | 0 | 1.3 |
| State | 15.4 | 9.8 | 0.8 | 5.9 | 2.0 |

**Summary**

Rural Employment Guarantee Scheme is a very important Scheme for the poor because it is self-targeting. Only poor households participate in the Scheme and there is no need of fixing any target group for the Scheme. It is found that the participation of scheduled castes is very high and their share in workers is much higher than their share in total population. Scheduled tribes occupy second position in participation as most of them operate land. The share of scheduled castes and scheduled tribes in NREGS workers is highest in Rayagada and Sambalpur districts. Rayagada is economically backward. Sambalpur is a developed district, but there may be inequalities in land distribution.

All the members participating in NREGS are found to be poor based on the poverty line of Rs.13, 800 for a family of three members. Since this is the minimum family size, all can be treated as poor. This income did not include NREGS income. The effect of the Scheme on poverty is discussed in a subsequent chapter.

Awareness about the provisions of NREGS is very poor. Even the main provision of days of guarantee is not known to more than one-half of the workers. Unemployment allowance and extra wage for long distance travel is not known to almost all the workers. Time limit for providing work is known to only 17.6 per cent of the workers.

**APPENDIX 1**

**Awareness about the main provisions of NREGS as per the first survey**

(Percentages)

| District | Days of Guarantee | Minimum Wage | Time Limit for Getting Work | Time Limit for Wage Payment | Extra Wage for Long Travel | Unempl-oyment Allowance |
|---|---|---|---|---|---|---|
| Ganjam | 77.3 | 96.9 | 66.0 | 77.3 | 25.8 | 30.9 |
| Rayagada | 71.9 | 84.4 | 52.1 | 64.6 | 2.1 | 3.1 |
| Kalahandi | 79.0 | 75.8 | 54.8 | 69.4 | 12.9 | 6.5 |
| Bolangir | 88.9 | 69.1 | 71.6 | 70.4 | 16.0 | 6.2 |
| Sambalpur | 90.9 | 94.8 | 79.2 | 75.3 | 18.2 | 28.6 |
| Mayurbhanj | 96.2 | 94.9 | 84.8 | 91.1 | 36.7 | 17.7 |
| State | 83.5 | 86.6 | 67.9 | 74.6 | 18.5 | 15.9 |

**APPENDIX 2**

**Awareness about other provisions of NREGA as per the first survey**

| District | RTI | Social Audit | Complain for Job card | Complain for Getting Work | Complain for Delay in Wage Payment |
|---|---|---|---|---|---|
| Ganjam | 37.1 | 90.7 | 83.5 | 83.5 | 82.5 |
| Rayagada | 13.5 | 62.5 | 78.1 | 77.1 | 77.1 |
| Kalahandi | 21.0 | 71.0 | 82.3 | 79.0 | 79.0 |
| Bolangir | 9.9 | 71.6 | 85.2 | 85.2 | 85.2 |
| Sambalpur | 19.5 | 76.6 | 92.2 | 92.2 | 92.2 |
| Mayurbhanj | 16.5 | 87.3 | 96.2 | 96.2 | 96.2 |
| State | 19.9 | 76.8 | 86.0 | 85.4 | 85.2 |

Conducting FGD in Kalahandi District in Junagarh Block

CHAPTER IV

# Implementation Processes and Transparency Measures

## Introduction

Effectiveness of NREGS depends on the processes followed in implementation and transparency measures adopted. Implementation processes relate to registration, provision of employment, provision of facilities at worksite, conduct of Gram Sabha and Social Audit and people's participation in the Gram Sabha. Issues relating to registration of the workers who are willing to offer unskilled labour are discussed in Section 2. The structure of job cards, issue of job cards, completeness in registration and making entries on the job cards are discussed in this section. Section 3 deals with the procedures followed in providing employment. Section 4 deals with the implementation of the provisions of the Scheme. Section 5 deals with summary and conclusions.

## Registration of Workers

The major deficiency in the programme in Orissa is adoption of faulty method for the registration of workers. The NREGA clearly specifies the procedures to be followed in the registration of workers. Gram Panchayat (GP) is responsible for the registration of workers. Registration in any GP should be confined to residents within it. In order to achieve complete coverage, three methods which are complementary to each other are suggested in the NREGA Guidelines. The first method is to make a printed application form available to the workers and they will submit the filled in form. The second method is to accept oral request for registration by the workers. The third method is conduct door to door survey by a team consisting of the Sarpanch, ward members, representatives of SC and ST. The registration should be open throughout the year. The code for the household should be similar to the one prescribed by the BPL survey. It is sad that the Government of Orissa did not follow any of the methods for

registration. On the other hand, it misunderstood the suggestion for giving code on the lines of BPL survey and registered only those households which were identified in the BPL survey. For various reasons, a significant proportion of the households presently existing are not found in the BPL survey of 2002. It is obvious that the investigators might not have covered some households. Secondly, there may be new households formed in the recent period. While these are the reasons for omitting some of the households, there is the problem of inclusion of some households or members presently not existing. A household which left the village can get a card. More importantly, the name of a person who died after the BPL survey may find a place in the card and it leads to malpractices in wage payment. Instances of this type came to the light in the villages surveyed and they are mentioned in the next chapter. The use of the BPL list of households is mainly responsible for malpractices in the implementation of the Scheme in Orissa. It became compulsory to give work to those who do not have a job card. Because of this, the days of the workers with job cards are inflated and the names of persons who died were also shown in wage payments.

Our methodology does not permit to arrive at the precise estimate of households who could not register because of the wrong method adopted. We have elicited the information in the Focus Group Discussions. One point to be kept in mind is that non-issue of cards is not the fault of the district or block authorities. It is the defect of the method adopted for registration and hence it is not meaningful to relate to the performance of the district. Out of the 12 villages visited, only two villages reported complete coverage. In the remaining villages, the gap is found to be 10 to 15 per cent in eight villages and 25 to 30 per cent in the remaining two villages.

**Job Cards**

The guidelines specify that photographs have to be attached to the job cards. Annual updating exercise has to be carried out in the same manner as registration. Additions and deletions must be read in the Gram Sabha.

The State Employment Council will determine the proforma of the job card. Entitlements and other basic features of the Scheme have to be printed on the reverse of the job card.

The basic deficiency in the implementation of the Scheme is faulty design of the job card. It does not provide for entering the wages paid to the worker. There is no provision for entering the wages paid to the worker. Exercise relating to additions and deletions of workers and job cards is not carried out so far. Photographs of the workers are not attached to any of the job cards.

When job cards are not issued to all the households needing them, there is a danger that the poor registration is more among female-headed households. Job cards issued to females accounted for only 8.9 per cent of the total job cards. Only Rayagada has high proportion of job cards (25.0 per cent) for females. On the other hand, Bolangir and Mayurbhanj have a very low proportion (2.5 per cent) of job cards issued in the name of females. However, this is not an important indicator. However, if the reason for a very small proportion of cards in the name of females is due to greater probability of a female-headed household getting omitted, it has to be taken seriously.

Another important aspect is corruption in the issue of job cards. Though some households reported that they had to bribe the officers for getting card, the proportion is only 5.1 per cent for the entire sample and the proportion varies between 15.5 per cent in Ganjam district and 1.3 per cent in Mayurbhanj district. No household reported payment in Bolangir district. But the amount paid per household who reported payment is Rs. 6.0 for Ganjam and Rayagada and Rs. 20 for Mayurbhanj. Sambalpur also reported a high amount of Rs. 15 per household.

**Table 23 : Issue of job cards**

| District | Female Ownership of Job Cards (%) | Incurred Expenditure for Procuring Job Card (%) | Average Expenditure per Card* (Rs.) |
|---|---|---|---|
| Ganjam | 10.3 | 15.5 | 6.10 |
| Rayagada | 25.0 | 5.2 | 6.00 |
| Kalahandi | 1.6 | 3.2 | 10.00 |
| Bolangir | 2.5 | 0.0 | 0.00 |
| Sambalpur | 6.5 | 2.6 | 15.00 |
| Mayurbhanj | 2.5 | 1.3 | 20.00 |
| State | 8.9 | 5.1 | 7.70 |

N.B. Since a small proportion of households incurred expenditure, average is calculated for households that incurred expenditure.

When the household questionnaire was canvassed, the workers got their cards back from the person keeping them and the answers regarding maintenance of cards are not proper. In the resurvey the questions were asked in the FGD. In many sample villages studied, job cards were not with the workers. Local officials keep the job cards and give them to the workers whenever there is any official visit. For instance, in Grindalapalli village (Huma GP, Maneswar block, Sambalpur district) all cards are with the Panchayat Secretary and he was not available at the time of our survey. When the officials came to know of the visit they returned the cards to the workers. In all the villages, workers are not aware of what is noted on the job card. It would be ideal if the basis for payment is noted on the job card. When the work is done on piece-rate basis, it should be noted on the card and quantum of work done and the wages paid to the worker should also be noted.

**Provision of Employment**

The NREGS is expected to be demand-based. Whenever a worker needs work, he has to apply for either in the written form or orally. But whenever

a work has been taken up, workers are informed about it and they are asked to apply. If it is really demand -based, there will be time gap between submission of application and provision of work. It is found that workers got employment on the next day of their application. All the procedures are only to satisfy the norm prescribed in the Act. In Ganjam and Rayagada districts, employment was provided on the same day of their asking (Table 24). This is the major weakness of the programme. Taking application from the workers is only a farce. Only one half of the workers gave application and the proportion varies between 32.3 and 64.6 per cent. Many workers (44.5 per cent) stated that they can get employment without job card. A significant proportion of workers are of the view that application is not needed to get employment.

**Table 24 : Procedures followed in providing employment**

| District | Application is Needed | Can Get Job Without Card | Gave Application | Time Taken to Give Work (Days) |
|---|---|---|---|---|
| Ganjam | 75.3 | 33.0 | 59.8 | 0.0 |
| Rayagada | 42.7 | 51.0 | 40.6 | 0.0 |
| Kalahandi | 45.2 | 46.8 | 32.3 | 1.6 |
| Bolangir | 70.4 | 43.2 | 59.3 | 2.5 |
| Sambalpur | 58.4 | 50.6 | 44.2 | 1.3 |
| Mayurbhanj | 75.9 | 44.3 | 64.6 | 1.3 |
| State | 61.8 | 44.5 | 50.8 | 1.0 |

**Provision of Facilities at the Worksite**

Only first aid is provided at the worksite to some extent. About 35.0 per cent of the workers reported that first aid is provided. If the response is due to lack of awareness among workers, it is the mistake of the executing agency. When they are not aware, they will not be in a position to utilise the service. Drinking water is not provided at the worksite. Only in Mayurbhanj district, a significant proportion of workers reported that

drinking water was provided at the worksite (Table 25). In Ganjam district, 13.3 per cent of the workers reported that drinking water was provided. The other two facilities viz., shade and crèche are totally absent.

**Table 25 : Households reporting provision of obligatory facilities**

| District | First Aid (%) | Drinking Water (%) | Creche(%) | Shade(%) |
|---|---|---|---|---|
| Ganjam | 23.3 | 13.3 | 0.0 | 0.0 |
| Rayagada | 10.7 | 0.0 | 0.0 | 0.0 |
| Kalahandi | 26.1 | 0.0 | 0.0 | 0.0 |
| Bolangir | 48.0 | 4.0 | 0.0 | 0.0 |
| Sambalpur | 69.7 | 0.0 | 0.0 | 0.0 |
| Mayurbhanj | 65.9 | 24.4 | 0.0 | 0.0 |
| State | 34.9 | 7.8 | 0.0 | 0.0 |

The Scheme specifies that workers have to be paid extra wage if worksite is beyond a distance of five km. Generally work is provided within a distance of five km. It is reported that 35.6 per cent of the workers got work beyond five km and only 5.5 per cent reported that they got additional payment to compensate the travel cost. In oter words, 30.1 per cent of the workers reported they travelled more than five km for work, but no additional wage was paid.

**Table 26 : Payment of extra wage for work beyond 5 km**

| District | Paid | Not Paid | Not Applicable | Total |
|---|---|---|---|---|
| Ganjam | 8.2 | 21.6 | 69.1 | 100.0 |
| Ryagada | 2.1 | 39.6 | 58.3 | 100.0 |
| Kalahandi | 6.5 | 30.6 | 62.9 | 100.0 |
| Blangir | 6.2 | 28.4 | 64.2 | 100.0 |
| Sambalpur | 6.5 | 32.5 | 61.0 | 100.0 |
| Mayurbhanj | 3.8 | 27.8 | 68.4 | 100.0 |
| State | 5.5 | 30.1 | 64.4 | 100.0 |

Another important provision in the Scheme is payment for sharpening the tools. If it is assumed that all the workers were using tools, only 25.4 per cent got payment for sharpening the tools (Table 27). The amount received per household is Rs. 13.6. Since each household got employment for about 45 days, it may be taken that the payment is made once or twice in the year for each worker. Ganjam district got the highest amount per household at Rs. 20.6 and Rayagada district got the highest coverage of 47.9 per cent. There is no need for such variation either in the coverage or the payment per household. There is a need to see that all the districts follow a uniform pattern.

**Table 27 : Payment for sharpening the tools**

| District | Households Paid (%) | Amount Paid per Household* (Rs.) |
|---|---|---|
| Ganjam | 24.7 | 20.6 |
| Rayagada | 47.9 | 12.0 |
| Kalahandi | 12.9 | 16.25 |
| Bolangir | 18.5 | 13.8 |
| Sambalpur | 16.9 | 10.0 |
| Mayurbhanj | 24.1 | 9.47 |
| State | 25.4 | 13.58 |

* Calculated per household paid.

The measures of transparency are very weak. A very negligible proportion of the workers are aware of Social Audit. Similarly, they are not aware of Vigilance and Monitoring Committee. These transparency measures may appear in the official records, but workers for whose benefit these measures are introduced are not aware of them. Each worker should be first made aware of these measures so that when they are implemented workers will know about them.

**Summary**

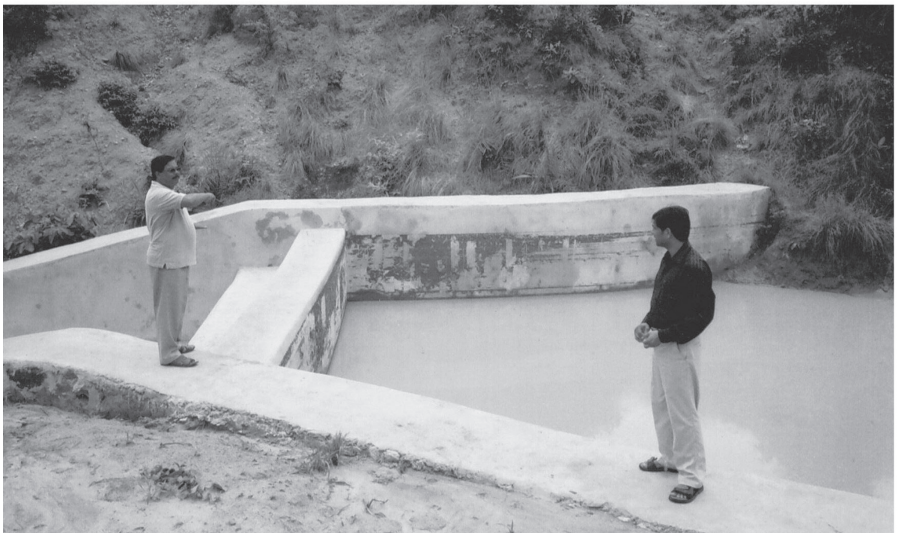
Effectiveness of NREGS depends on the processes followed in implementation and transparency measures adopted. The major deficiency in the programme in Orissa is adoption of faulty method for the registration of workers. The Government of Orissa did not adopt the methods prescribed in the Guidelines for the registration. Instead only the households enumerated in the BPL survey of 2002 were issued job cards. Many households who are in need of employment under the Scheme could not get job cards and it led to several malpractices.

The basic deficiency in the implementation of the Scheme is faulty design of the job card. It does not provide for entering the wages paid to the worker. There is no provision for entering the wages paid to the worker. Exercise relating to additions and deletions of workers in a job card and issuing job cards to the newly formed households is not carried out so far. Photographs of the workers are not attached to any of the job cards. Though the proportion is small, issue of cards is not free from corruption. While the programme is designed as demand driven, it is being implemented as supply driven. Whenever work is sanctioned, people are asked to apply and work is commenced simultaneously.

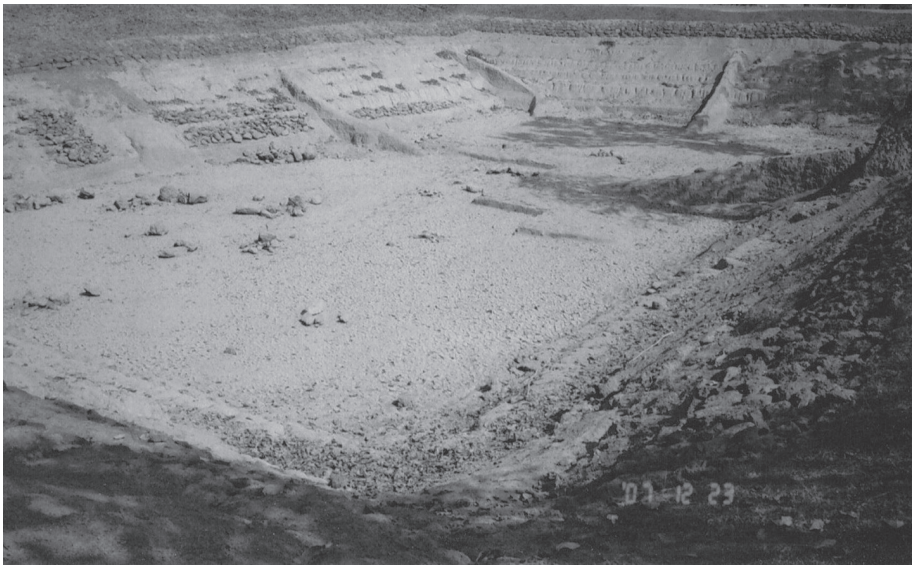
Provision of obligatory facilities at the worksite is also poor. It is reported that only first aid is provided at the work. It may not be giving any benefit to the workers. The real need is the provision of drinking water at the worksite which is not provided except in Mayurbhanj district. Additional wage for travel beyond 5 km is not paid to most of the workers.

Both the measures of transparency viz., Social Audit and Vigilance and Monitoring Committee are very weak. A very negligible proportion of the workers are aware of Social Audit. Their awareness about Vigilance and Monitoring Committee is worse. These transparency measures may appear in the official records, but workers for whose benefit these measures are introduced are not aware of them. Workers should be first made aware of these institutions so that when they are functioning workers will understand their role in them.

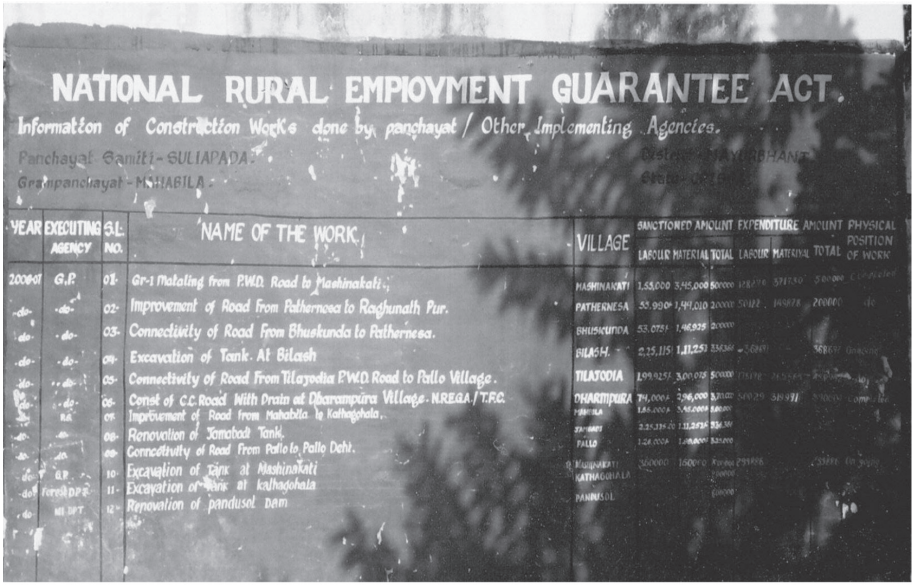
Road laid in Junagarh Block, Kalahandi District



Minor irrigation project in Kolnara Block, Rayagada District



Tank in Baripada Block, Mayurbhanj District




Display of Village-wise Information on Physical and Financial Performance in Suliapada Block, Mayurbhanj District

CHAPTER V

# Employment and Wage Benefits

## Introduction

Performance of NREGS has to be evaluated on the basis of employment and income benefits derived by the unskilled rural workers. The main objective of NREGS is to provide 100 days of employment to each rural household willing to participate in manual work and reduce their poverty. Poverty is likely to be reduced with increase in wage income. Both additional employment and increase in wage rate enhance wage income. The Scheme is expected to reduce distress migration from rural areas in search of unskilled work. While these two are the expected direct benefits, the Scheme is expected to give some indirect benefits like creation of productive assets and empowering the people in demanding services from the government.

This chapter attempts to examine how far these goals have been achieved. The following issues are examined. To what extent is the main goal of providing employment for 100 days fulfilled? To what extent are the assets created under the Scheme productive? What is the extent of improvement in household income? Is there any decline in poverty as a result of the increase in income?

The Implementation Status Report of the Ministry of Panchayati Raj provides statistics at State and district levels. Data available from this source are analysed to identify the coverage of the Scheme in the rural areas and nature of assets created. Section 2 deals with the financial and physical performance at the State and district levels in the study area. Utilisation of funds, amount spent on unskilled wages, allocation of expenditure to various categories of assets are studied in the financial performance. Job cards issued and employment generated are discussed in physical performance. Section 3 deals with performance of the Scheme at grassroots level. In this section, employment generation and variations

in it across villages and households, season-wise distribution of employment, distribution of employment by days worked and impact of the Scheme on poverty are discussed.

**Financial and Physical Performance at District Level**

***Financial Performance :*** The Ministry of Panchayati Raj provided information on the total expenditure made and total days of employment generated during the year. From this information several indicators are generated and shown in Table 28. The State of Orissa spent an amount of Rs. 733.46 crore during 2006-07 and the expenditure in the six sample districts is nearly one half of the above amount. Utilisation rate is 82.4 per cent at the State level but it is lower in the study area at 77.5 per cent. Among the six districts, utilisation rate is lowest at 64.9 per cent in Kalahandi followed by 70.9 per cent in Mayurbhanj. Utilisation rate in other districts does not vary much. Ganjam stands at the top, followed by Bolangir, Rayagada and Sambalpur. In all these four districts, utilisation rate is 90.0 per cent and above.

The most important condition to be fulfilled is to spend at least 60.0 per cent of the total amount on unskilled wage. This norm is not satisfied in Kalahandi and Sambalpur. The former spent 48.6 per cent on unskilled wage and the latter 55.6 per cent. The remaining four districts maintained the norm.

Payment of minimum wage is also an important aspect in the implementation of the Scheme. This aspect becomes relevant only when the workers are engaged on time-rate basis. In the piece-rate system workers may get less than the minimum wage if their productivity is low. However, fixation of rate becomes important in the piece rate system. Work-time-motion studies have to be conducted to find out the productivity of an average worker and fix the wage rate to provide the minimum wage for seven hours of work.

The State followed both time and piece-rates, but the piece-rates are not based on time-motion studies conducted under various agro-climatic conditions. In some districts where the works are taken up in hard soils, the wages earned per day turned out to be less than the minimum wage. The minimum wage for seven hours of work is fixed at Rs. 55 per day for 2006-07. Using the official data on expenditure and employment generated, implicit wage paid to the worker per day is calculated. Average wage rate per day is found to be less than Rs.55 in four districts viz., Sambalpur, Bolangir, Mayurbhanj and Rayagada. Only in Ganjam and Kalahandi, the average wage rate is more than Rs.55. The wage rate is highest in Ganjam at Rs.60. The wage rate will be less than the minimum if the workers spend less than seven hours a day. This is reported in some areas particularly in Mayurbhanj district. There is a need to note down the hours spent by the workers in the muster roll. The average wage is the lowest in Sambalpur district at Rs. 51.3 per day followed by Bolangir with a wage rate of Rs. 52.1 per day. The average wage rate is close to the minimum wage in Rayagada and Mayurbhnaj districts at Rs. 53.5 per day. As shown in the subsequent analysis, the two districts with high wage rate viz., Ganjam and Kalahandi are poor in employment generation. This situation of low employment generation with high wage rate needs correction.

The average wage income per household is found to be Rs.3026 per annum in the study area and Rs.2830 in the State. Thus, the wage income in the study area is higher than the State average by about Rs.200. Bolangir, Mayurbhanj and Rayagada showed good performance with an annual income ranging between Rs.3160 and Rs.4000. The performance of Ganjam is very low with an average income of Rs.2046. It is much lower than even the State average. The performance of Sambalpur is also far below the State average with an average income of Rs.2567 per annum.

**Table 28 : Expenditure on unskilled wage and other components: 2006-07**

| District | Total Expenditure (Rs. in lakh) | Utilisation Rate (%) | Unskilled Wage (Rs. In lakh) | (%) Unskilled Wage in Total Expenditure | Wage Income per Hosuehold | Wage Rate per Day (Rs.) |
|---|---|---|---|---|---|---|
| Ganjam | 4839.55 | 92.6 | 2881.32 | 59.5 | 2046 | 60.0 |
| Rayagada | 3727.28 | 90.7 | 2224.48 | 59.7 | 3159 | 53.5 |
| Kalahandi | 7212.50 | 64.9 | 3504.86 | 48.6 | 2884 | 56.7 |
| Bolangir | 4247.96 | 91.0 | 2562.41 | 60.3 | 3199 | 52.1 |
| Sambalpur | 3539.14 | 89.6 | 1967.69 | 55.6 | 2567 | 51.3 |
| Mayurbhanj | 10822.54 | 70.9 | 6450.14 | 59.6 | 3181 | 53.5 |
| Sample Districts | 34388.97 | 77.5 | 19590.90 | 57.0 | 3026 | 58.3 |
| State | 73346.62 | 82.4 | 42197.66 | 57.5 | 2830 | 49.4 |

***Nature of Assets Created :*** While the primary objective of the Scheme is to provide employment for 100 days, it is also expected that money will be spent productively to increase the productivity of agriculture. Activities focusing on land and water development are useful in improving agricultural productivity. Rural connectivity has no direct relation with improvement of agricultural productivity. The distribution of expenditure by the type of activity is shown in Table 29.

Rural connectivity, which has no clear effect on agricultural productivity, is the major activity taken up under NREGS in the State. The activity accounts for 60.4 per cent of the total expenditure in the State. Its share in total expenditure is still higher at 67.4 per cent in the study area. It is significant to note that a State with low productivity of agriculture is allocating such a huge amount for works relating to rural connectivity.

The share of rural connectivity is abnormally high in Kalahandi and Ganjam districts. These two districts allotted 81.6 and 75.4 per cent of the total expenditure on rural connectivity. Rayagada also devoted a high share of 67 per cent to rural connectivity. Sambalpur has an exceptionally low allocation of only 50.2 per cent. Bolangir and Mayurbhanj allotted a moderate share of about 63.0 per cent on rural connectivity. Though the share of rural connectivity is not very high in Rayagada, a very high proportion of expenditure (14.0 per cent) is allocated to other activity not connected to agricultural productivity. When this expenditure is added, the share of unproductive expenditure in Rayagada rises to 80.0 per cent of the total expenditure.

Water conservation, drought proofing, micro-irrigation and renovation of water bodies are all works related to moisture conservation and these activities together with land development are intended to improve agricultural productivity. These activities accounted for only 32.2 per cent of the total expenditure in the State. Their share is still lower at 30.1 per cent in the study area. This indicates that due attention is not paid to the goal of creating productive assets through the NREGS. Improving the productivity of agriculture through these investments is needed for three

reasons. In the present context of steep deceleration of agricultural growth in the last ten years, the huge expenditure incurred in the programme has to be utilised as an opportunity for reviving the agricultural sector. Secondly, the increase in the incomes of the poor will result in increase in the demand for wage goods. If there is no commensurate increase in the supply of these goods, there will be demand pull inflation. Finally, the State of Orissa is highly backward in agriculture and the gap between the national average and the State average increased in recent times. This programme should be used to give fillip to the agricultural sector. Attention has to be paid not only to plug leakages in expenditure, but also to improve efficiency in allocation for various activities.

Among the six districts in the study area, Rayagada shows the poorest performance with only 15.7 per cent of the expenditure allotted to productive assets. Kalahandi also showed a poor performance with only 18.3 per cent of the expenditure. On the other hand, Sambalpur stands at the top with a share of 47.3 per cent. Mayurbhanj and Bolangir also show good performance with a share of more than 35.0 per cent.

In the preparation of Perspective Plan for NREGS due attention has to be paid to identify the activities that result in improvement of agricultural productivity. Even if these schemes are not identified in the NREGS Perspective Plan, they can be identified from the Comprehensive District Agricultural Plan and implemented through convergence of these two schemes. While the existing nine-fold classification of assets created is good enough, there is a need to aggregate them into broad categories and see that productivity enhancing activities get a significant share.

Activities related to land development are absent in the study area except in Rayagada. Even in this district the share of land development is only 0.8 per cent. On the basis of the expenditure pattern, Sambalpur, Mayurbhanj and Bolangir occupy top position in allocation of expenditure towards productivity increasing activities. On the other hand, Rayagada, Kalahandi and Ganjam showed very poor performance in the allocation of expenditure towards improvement of agricultural productivity.

**Table 29 : Distribution of expenditure by type of assets created: 2006-07**

| S.No. | Asset | Ganjam | Rayagada | Kalahandi | Bolangir | Sambal-pur | Mayur-bhanj | Sample Districts | State |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Rural Connectivity | 75.4 | 67.0 | 81.6 | 62.2 | 50.2 | 63.2 | 67.4 | 60.4 |
| 2 | Flood Control | 0.0 | 2.3 | 0.0 | 0.4 | 1.3 | 0.1 | 0.5 | 1.7 |
| 3 | Water Conservation | 0.0 | 13.1 | 4.7 | 0.5 | 27.2 | 1.3 | 6.3 | 13.3 |
| 4 | Drought Proofing | 4.1 | 0.2 | 0.0 | 0.0 | 0.4 | 0.0 | 0.7 | 3.7 |
| 5 | Micro Irrigation | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0.3 |
| 6 | Irrigation to SCs & STs | 0.0 | 1.6 | 0.0 | 0.0 | 0.0 | 4.9 | 1.6 | 1.3 |
| 7 | Renovation of Water Bodies | 20.4 | 0.8 | 13.6 | 34.8 | 19.6 | 30.5 | 21.5 | 13.6 |
| 8. | Land Development | 0.0 | 0.8 | 0.0 | 0.1 | 0.2 | 0.0 | 0.1 | 0.8 |
| 9. | Agriculture-related (2+3+4+5+6+7+8) | 24.5 | 18.8 | 18.3 | 35.8 | 48.8 | 36.8 | 30.7 | 34.7 |
| 10. | Other Activities | 0.0 | 14.1 | 0.0 | 2.0 | 0.9 | 0.0 | 1.9 | 5.0 |
| | Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

***Issue of Job Cards and Provision of Employment :*** The Government of Orissa issued 25.93 lakh job cards in the entire State and 11.42 lakh job cards in the six sample districts (Table 30). It will be important to estimate the coverage of rural households in terms of the issue of job cards. For this, rural households in the year 2006 are projected by using the growth rate of households between 1991 and 2001. The proportion of cards issued to the projected rural households is 59.9 in the sample districts. There are significant variations in the issue of job cards across the sample districts. Rayagada and Sambalpur districts have very high coverage of about 79.0 per cent. Kalahandi stands at the second stage with coverage of 68.1 per cent. Bolangir and Mayurbhanj have coverage of about 60.0 per cent. Ganjam has the lowest coverage of 45.6 per cent.

In the field survey several households complained about the non-issue of job cards. The district administration is not responsible for this deficiency because the State adopted the BPL Survey of 2002-03 for identification of households to issue job cards. Many households complained that they could not get job cards despite their demand. There is a need to conduct a comprehensive survey to check the participation of the existing card holders and also to issue job cards to the households who could not get earlier. There is a need to conduct meetings with the workers who are participating in the Scheme and see that irregularities in the use of cards are avoided. This can be done more efficiently by conducting Gram Sabha after door to door enumeration.

While many households complained about the non-issue of job cards, a large proportion of card holders did not demand work. At the State level only 54.3 per cent of the card holders demanded work and the remaining 45.7 per cent did not participate in the Scheme on any day during the year. This may not be the correct estimate because some households participated in the programme using the cards of others and some got work even without job cards. In the present situation there is no way of ascertaining participation rate in the Scheme. Once cards are issued to all the needy households, non-participants can be easily identified.

The participation rate of cardholders in the Scheme is higher in the sample districts than the State average. While 54.3 per cent of the card holders participated in the Scheme at the State level, as high as 60.7 per cent participated in the sample districts. Participation is highest in Mayurbhanj followed by Kalahandi and Sambalpur. On the other hand, participation is low in Bolangir, Ganjam and Rayagada districts. Further, there is no relationship between coverage of rural households in the issue of cards and participation rate in the Scheme. Among the three low participation districts, Rayagada has the highest coverage of 78.6 per cent, Ganjam has the lowest coverage of 45.6 per cent and Bolangir district has moderate coverage at 60.4 per cent. Similarly, among the districts with high participation, Mayurbhanj has low coverage. The differences in participation have to be attributed to the differences in the provision of work as the Scheme is implemented as supply-determined rather than demand-determined. The field survey revealed that in some of the villages the works were carried out for only three to four weeks.

Two important indicators of performance of the Scheme are the proportion of households who worked for 100 days and average days of work per household. Only 8.2 per cent of the households in the sample districts got employment for 100 days during the year and the performance is lower than the State average. Even at the State level only 11.1 per cent of the households got employment for 100 days. Ganjam district showed the lowest performance with only 3.4 per cent of the households getting employment for 100 days. Kalahandi and Mayurbhanj districts occupy middle position with about 7.5 per cent of the households. Bolangir, Sambalpur and Rayagada are high performance districts with more than 12.0 per cent of the households getting work for 100 days.

It may not be possible to satisfy the norm of 100 days of work if there is no demand to that extent. But days of employment provided per household is a good indicator. It is found that the State provided 57.3 days of work per household. The performance of the study area is worse than that of the State. The average days of employment generated per household is only

51.9 days in the study area. This lower performance is mainly due to the poor performance of Ganjam, where employment generated is only 34.1 days during the year. Kalahandi and Sambalpur also showed poor performance with about 50.0 days of employment per household. Bolangir, Mayurbhanj and Rayagada showed good performance with about 60.0 days of employment per household. When we consider both the indicators, the performance of Mayurbhanj and Sambalpur is good in one indicator and bad in the other. Mayurbhanj showed good performance in the average days of employment generated, but poor performance, if the norm of 100 days of employment is considered. On the other hand, Sambalpur achieved high performance in fulfilling the norm of 100 days of employment, but the average days of employment is very low at only 50.8 days per annum. This shows extreme variations in the participation of the households.

**Performance at Grassroots Level**

***Intra-Household Variation in Employment Generation :*** The data available from the Sample Survey provide insights on the variations in the implementation of the Scheme at the grassroots level. The performance of a district in terms of employment generation can be observed through three indicators namely, average days of employment generated in the district, variation in employment generated between the two blocks studied and intra-household variation in each block and district. Coefficient of variation is used to measure the intra-household variation in days worked. Results on these indicators are shown in Table 31. As this information is collected from the job cards, it should give the same estimates of employment as given in the official statistics. But there is a wide gap between these two estimates of employment. While official statistics revealed that each household worked for 51.9 days in a year in the study area, the estimate based on the sample survey shows that employment generated per annum during 2006-07 is 42.8 days. The estimates based on the official estimates are higher in all the districts. But the gap is quite low in the case of three districts viz., Ganjam, Bolangir and Mayurbhanj. The estimates for Bolangir are same and the estimates for the other two districts differ by less than five days.

**Table 30 : Job cards issued and employment provided per household: 2006-07**

| District | Job Cards Issued | Rural Households who got job cards (%) | Demanded work (% of Job Cards) | Employment Provided (% of Job cards) | Households who got 100 days of employment (%) | Employment per Household (days) |
|---|---|---|---|---|---|---|
| Ganjam | 264996 | 45.6 | 53.1 | 53.1 | 3.4 | 34.1 |
| Rayagada | 126672 | 78.6 | 56.3 | 55.6 | 11.9 | 59.1 |
| Kalahandi | 190092 | 68.1 | 64.3 | 63.9 | 7.5 | 50.8 |
| Bolangir | 162162 | 60.4 | 49.4 | 49.4 | 13.2 | 61.4 |
| Sambalpur | 122621 | 79.3 | 62.5 | 62.5 | 12.1 | 50.1 |
| Mayurbhanj | 275867 | 59.5 | 73.5 | 73.5 | 7.3 | 59.4 |
| Sample | 1142410 | 59.9 | 60.7 | 60.6 | 8.2 | 51.9 |
| State | 2593194 | NA | 54.3 | 53.8 | 11.1 | 57.3 |

Source: Ministry of Panchayati Raj, Implementation Status Report on NREGS, Government of India, 2006-07.

The estimates based on the sample survey may not be precise because of the high variation in employment across villages. For instance, one block in Ganjam provided 13.0 days of employment while the other provided 48.2 days. Similar variation is found between the two blocks of Rayagada district. One block provided employment for 17.2 days and the other for 54.7 days. Such high variation is also observed in Sambalpur and Mayurbhanj districts. Only in two districts namely, Kalahandi and Bolangir, the estimates for the two sample villages are very close. Kalahandi showed poor performance in both the blocks with an employment of about 36.0 days. Bolangir showed high performance in both with 66.7 days in one block and 52.1 days in the other. In such a situation an ideal sampling procedure is to increase the number of villages and reduce the sample size for each village. This needs to be taken care for future evaluation studies.

The poor performance of Ganjam can be attributed to two factors. First, it is a developed district and it may not really need the programme. The second reason is the indifferent attitude of the Sarpanch in one of the two GPs studied namely, Khandadevuli GP as per the views revealed in the FGD. The villagers were quarrelling with the officials when the field investigators visited the village. The high performance in Bolangir district is due to the nature of works taken up in the sample villages. The works relating to renovation of tanks and flood control which continued for a longer period were taken up. Mayurbhanj district showed good performance in both the blocks and it adopted good measures of transparency.

In addition to variation across blocks, there is high variation in employment generated across households within a village. High variation may indicate that some of the households participating in the Scheme are not very serious. Among the six sample districts, variation is highest in Rayagada district at 89.0 per cent and lowest in Bolangir district at 39.2 per cent. All the remaining four districts have same variation around 65.0 per cent. However, as Ganjam is a low performer in employment generation, its good performance in terms of low variation across households need not be taken as positive feature.

It is significant to note that there are differences in the coefficient of variation between blocks even within the same district. Rayagada block in Rayagada district and Junagarah block in Kalahandi district have recorded highest variation in employment across households. Both the blocks in Ganjam district have shown low variation. However, because of the large difference in the average days of employment between the two blocks in the district, the coefficient of variation for the district as a whole is very high at 64.1 per cent as compared to the variation in each block which is not more than 25.1 per cent. The analysis reveals that the performance of the Scheme is not uniform across blocks due to provision of employment for a very short period in some blocks. It appears that block is more important than district in the implementation of the Scheme and performance of each block has to be examined carefully.

**Table 31 : Days of employment generated in sample blocks**

| District | Block | Days Employed | Coefficient of Variation (%) |
|---|---|---|---|
| Ganjam | Ganjam | 13.0 | 19.3 |
| | Sanakhemundi | 48.2 | 25.1 |
| | Ganjam District | 30.8 | 64.1 |
| Rayagada | Rayagada | 17.2 | 83.1 |
| | Kolnara | 54.7 | 64.5 |
| | Rayagada District | 37.5 | 89.0 |
| Kalahandi | Junagarh | 35.6 | 76.4 |
| | Kesinga | 36.1 | 56.2 |
| | Kalahandi District | 35.9 | 67.2 |
| Bolangir | Bolangir | 66.7 | 35.5 |
| | Puintala | 52.1 | 41.0 |
| | Bolangir District | 60.7 | 39.2 |
| Sambalpur | Dhankauda | 44.8 | 53.3 |
| | Maneswar | 25.2 | 59.9 |
| | Sambalpur District | 35.9 | 62.7 |
| Mayurbhanj | Baripada | 40.3 | 57.3 |
| | Saliapada | 66.4 | 61.7 |
| | Mayurbhanj District | 54.5 | 66.4 |
| Sample districts | | 42.3 | 69.5 |

Since the aim of the NREG Scheme is to provide employment in the slack season, it is necessary to examine employment generated in different quarters. Information available from FGDs revealed that the period covering first and second quarters (January to June) is the slack period. In some areas September, October and December are also reported as slack months. Thus, the first and second quarters in the year (January to June) turn out to be period during which most of the employment has to be generated.

Employment provided per household in each season is showed in Table 32. The results for the entire study area show that out of the four quarters, highest employment is generated in the fourth quarter. Out of the 42.8 days of total employment generated, 16.9 days of employment is generated during this period. The second quarter (April – June) is highly neglected, though this is the season with highest unemployment. Only five days of employment is generated in this quarter. The performance in the first quarter (January – March) is not so poor, though it needs further improvement. The poor performance in the second quarter may be because of the delay in allocation of funds as the financial year begins with April. If this is the reason, administrative arrangements must be made for the release of funds for the first quarter much before the budgetary allocations are decided.

Among the six sample districts, Mayurbhanj followed more rational generation of employment. Employment generated in the first quarter is high at 24.9 days and it accounts for nearly one half of the annual employment as compared to 13.6 days in the entire study area. However, the performance in the second quarter is same as in the other districts. Ganjam and Rayagada showed poor performance with only 2.1 days and 8.1 days of employment during the first quarter.

Employment generation is lowest in the second quarter. It is less than five days in all the districts except Bolangir where it is 9.9 days. There is a need to identify the seasonal needs and generate employment as per the needs. While non-provision of employment in the slack season defeats the

purpose of the Scheme, provision of employment under the Scheme will lead to tight labour market conditions. The reasons for low employment generation and provision of employment at wrong time have to be examined.

**Table 32 : Employment provided per household by season**

(Days per annum)

| District | Quarter II: April-June | Quarter III: July-Sept. | Quarter IV: Oct. - Dec. | Quarter I: Jan. - Mar. | Total |
|---|---|---|---|---|---|
| Ganjam | 7.7 | 4.5 | 16.2 | 2.1 | 30.8 |
| Rayagada | 3.3 | 5.0 | 21.3 | 8.1 | 37.8 |
| Kalahandi | 2.5 | 5.8 | 14.9 | 14.8 | 38.0 |
| Bolangir | 9.9 | 10.5 | 24.6 | 16.8 | 61.7 |
| Sambalpur | 1.1 | 7.0 | 8.9 | 18.9 | 35.9 |
| Mayurbhanj | 4.5 | 12.0 | 13.1 | 24.9 | 54.5 |
| All Sample | 5.0 | 7.3 | 16.9 | 13.6 | 42.8 |

A major deficiency in the implementation of the scheme is poor maintenance of job cards. Entries on the job cards are wrong in many cases. Only 31.8 per cent of the households reported that the days noted in their cards are correct (Table 35). Among the remaining 68.2 per cent households, 46.3 per cent reported that the days noted in the job card are more than the days they actually worked. They received wages as per the days actually worked. Job cards are generally kept with the officials and they are given to the workers whenever there is any enquiry. There are also cases of noting less number of days than they worked – 22.7 per cent of the workers reported that the days noted in the job card is less than the days they actually worked. These results indicate both casual approach and corrupt practices are responsible for this discrepancy. There may be lapses of memory, but cases of entering days of dead persons also came to light during the survey.

Ganjam showed good performance in this respect with 63.3 per cent of the households reporting that the entries in the job cards are correct. This is due to high awareness among workers and low employment generation in the area. Sambalpur occupied second position with 45.5 per cent of the households reporting that the entries in their cards are correct. These two districts showed poor performance in terms of employment generation and hence there is not much discrepancy. Kalahandi and Bolangir showed poor performance with only 8.7 and 14.0 per cent reporting that the cards are correct.

**Table 33 : Households reporting discrepancy between days worked and as noted in job card**

| District | More Days Noted in Job Card | Less days noted in Job Card | Correctly Noted | Total |
|---|---|---|---|---|
| Ganjam | 33.3 | 3.3 | 63.3 | 100.0 |
| Rayagada | 60.7 | 14.3 | 25.0 | 100.0 |
| Kalahandi | 45.7 | 45.7 | 8.7 | 100.0 |
| Bolangir | 58.0 | 28.0 | 14.0 | 100.0 |
| Sambalpur | 24.2 | 27.3 | 45.5 | 100.0 |
| Mayurbhanj | 56.1 | 19.5 | 24.4 | 100.0 |
| State | 46.3 | 22.7 | 31.8 | 100.0 |

Sample households are also asked about the number of days worked and number of days reported in the job card. As there may be problem of memory lapse in reporting the exact days of discrepancy, the results should be taken as indicative and a rough indication of the extent to which actual payments fall short the official figures of expenditure on unskilled labour. The results show that the discrepancy for the entire sample is 43.4 per cent (Table 34). Ganjam showed highest discrepancy in terms of days. This district has the lowest proportion of households reporting discrepancy. Kalahandi and Rayagada stand next.

**Table 34 : Average days of discrepancy between days worked and noted in job card**

| District | Average days worked | Average days noted | Percentage of excess |
|---|---|---|---|
| Ganjam | 21.1 | 37.5 | 77.7 |
| Rayagada | 25.3 | 36.1 | 42.8 |
| Kalahandi | 39.8 | 60.9 | 53.3 |
| Bolangir | 60.3 | 82.0 | 35.9 |
| Sambalpur | 28.0 | 43.4 | 54.9 |
| Mayurbhanj | 45.7 | 60.4 | 32.2 |
| State | 39.9 | 57.3 | 43.4 |

* Only households where workdays noted are more than actual days worked are considered.

As the average days of employment generated may not reflect the benefits properly due to high variation in days worked across households, the distribution of households according to the days worked is worked out and shown in Table 35. Several interesting features come out of this data. While the official records show that 11.0 per cent of the households got employment for 100 days, the sample data show that only 3.0 per cent of the households got employment for 100 days. Since fulfilling the norm of 100 days may be difficult, the proportion of households who worked for more than 75 days is taken as the indicator of good performance. In the study area, only 13.6 per cent of the households worked for more than 75 days. Bolangir occupies the top position with 28.7 per cent of the households reporting employment for more than 75 days and Mayurbhanj stands second with 20.2 per cent. Ganjam is at the bottom with only 2.1 per cent of the households working for more than 75 days. Kalahandi and Sambalpur are the other districts with poor performance with only about 8.0 per cent of the households working for more than 75 days. An indicator of poor performance is the proportion of households working for less than 25 days in a year. Ganjam showed poorest performance, 51.5 per cent of

the households falling in this category. Rayagada, Kalahandi and Sambalpur are the other districts with poor performance – nearly 40.0 per cent of the households worked for less than 25 days. Bolangir showed best performance with only 4.9 per cent of the households working for less than 25 days. Mayurbhanj occupies second position with 21.5 per cent of the households belonging to this category. Thus, of the six districts in the study area, Ganjam is at the lowest position and and Bolangir is at the top. Mayurbhanj occupies second position, but is far away from the top district. The remaining three districts namely, Rayagada, Kalahandi and Sambalpur occupy the middle position.

**Table 35 : Percentage distribution of households by days of employment**

| District | Less than 25 days | 25 to 50 days | 50 to 75 days | 75 to 100 days | 100 and above | Total |
|---|---|---|---|---|---|---|
| Ganjam | 51.5 | 46.4 | 0 | 2.1 | 0 | 100 |
| Ryagada | 39.6 | 36.5 | 6.3 | 8.3 | 9 | 100 |
| Kalahandi | 38.7 | 33.9 | 19.4 | 6.5 | 2 | 100 |
| Bolangir | 4.9 | 32.1 | 34.6 | 24.7 | 4 | 100 |
| Sambalpur | 39.0 | 35.1 | 18.2 | 7.8 | 0 | 100 |
| Mayurbhanj | 21.5 | 25.3 | 32.9 | 15.2 | 5 | 100 |
| State | 33.1 | 35.4 | 17.5 | 10.6 | 3 | 100 |

Employment generation for females is one of the important aspects of the programme. Since labour force participation of females is lower than that of males, we cannot expect female participation in the Scheme to be more than 33.3 per cent. A high participation also indicates reluctance of the males to work in the Scheme at the given wages. Female employment accounts for 33.8 per cent of the total days of employment generated (Table 36). Female employment is highest in Rayagada with 52.8 per cent of the total employment and very low at 15.2 per cent in Sambalpur district. Bolangir, the district with highest employment generation also has a low participation of females at 19.1 per cent. Kalahandi and Mayurbhanj have

moderate level of female employment around 36.0 per cent. It is necessary to examine why female participation is low in certain areas. It should be known whether it is demand side problem or supply side problem. Supply side problem arises if conditions of work are suitable for females.

**Table 36 : Percentage share of males and females in employment**

| District | Male | Female | Total |
|---|---|---|---|
| Ganjam | 52.3 | 47.7 | 100.0 |
| Rayagada | 47.2 | 52.8 | 100.0 |
| Kalahandi | 63.2 | 36.8 | 100.0 |
| Bolangir | 80.9 | 19.1 | 100.0 |
| Sambalpur | 84.8 | 15.2 | 100.0 |
| Mayurbhanj | 64.5 | 35.5 | 100.0 |
| State | 66.2 | 33.8 | 100.0 |

The benefits of the Scheme have to be evaluated in terms of its impact on household income and reduction in poverty. We have collected information on income from different sources at the time of resurvey. All respondents were asked to indicate the income catagory into which his/her household would fall. Information about income from different sources is collected during the resurvey. Income derived from NREGS is collected separately. All the income derived from NREGS may not be additional income as they may get employment for some days in the absence of the Scheme. Opportunity cost of labour will be zero if employment is generated in the slack season and as per the demand of the workers. This is not the correct assumption under the existing pattern of implementation. However, we assumed that opportunity cost of labour is zero and assumed that the entire income from NREGS is additional income.

Income per household is estimated at Rs. 28102 per annum for the six sample districts (Table 37). Income varied between Rs. 26000 and Rs.31000. While Ganjam is at the top, Rayagada is close to Ganjam and occupies second position. Bolangir, Sambalpur and Kalahandi are very close in

income and occupy bottom position. Mayurbhanj is at the middle with a per capita income of Rs. 27175. Wage income is the major source of income with a share of 48.0 per cent and wages from NREGS account for 8.4 per cent. The share of wage income including NREGS is highest in Bolangir at 52.0 per cent and lowest in Ganjam at 43.7 per cent.

NREGS contributed 8.4 per cent to the income of the participating households. It can be improved to 20.0 per cent if employment can be provided for 100 days. The share is lowest in Ganjam and Rayagada at 5.0 per cent and highest in Bolangir at 13.3 per cent. Mayurbhanj also shows good performance with a share of 11.6 per cent.

**Table 37 : Percentage distribution of household income by source**

| District | Wage Income | Other Income | NREGS Income | Total | Total Income (Rs.) |
|---|---|---|---|---|---|
| Ganjam | 38.7 | 56.3 | 5.0 | 100.0 | 31226 |
| Rayagada | 40.0 | 54.7 | 4.8 | 100.0 | 30906 |
| Kalahandi | 42.0 | 48.9 | 9.1 | 100.0 | 26465 |
| Bolangir | 38.7 | 48.0 | 13.3 | 100.0 | 26213 |
| Sambalpur | 42.8 | 50.7 | 6.6 | 100.0 | 26284 |
| Mayurbhanj | 36.4 | 52.0 | 11.6 | 100.0 | 27175 |
| State | 39.6 | 52.0 | 8.4 | 100.0 | 28102 |

The impact of the Scheme on poverty is studied by estimating the incidence of poverty with and without the NREGS income. The poverty line for rural Orissa as per the Planning Commission is Rs. 325.80 per capita per month for the year 2004-05. The line is adjusted for price changes using the CPIAL (Consumer Price Index for Agriculture Labour). It is found that CPIAL increased by 16 per cent during the period. The poverty line for the year 2006-07 is estimated at Rs. 380. There is decline in the incidence of poverty by 8.7 percentage points, from 42.0 to 33.3. The decline is highest in Bolangir and lowest in Ganjam. Decline in the head count ratio depends not only on the increase in income but also on the

initial level of income. The moderate performance of Mayurbhanj is due to this reason. Because of high employment and income generation in Bolangir district, reduction in the incidence of poverty is at 18.0 percentage points. A significant reduction in poverty will be possible if employment is generated in the slack season and the target of 100 days is achieved.

**Table 38 : Impact of REGS on poverty among workers**

| District | With NREGS Income | Without NREGS Income | Reduction in Poverty |
|---|---|---|---|
| Ganjam | 31.7 | 35.0 | 3.3 |
| Rayagada | 34.3 | 41.4 | 7.1 |
| Kalahandi | 39.6 | 46.1 | 6.5 |
| Bolangir | 32.0 | 50.0 | 18.0 |
| Sambalpur | 33.3 | 42.4 | 9.1 |
| Mayurbhanj | 34.1 | 41.5 | 7.4 |
| State | 33.3 | 42.0 | 8.7 |

**Summary**

The State implemented the Scheme in 18 districts and spent an amount of Rs. 733.46 crore during 2006-07. The Government of Orissa issued 25.93 lakh job cards, covering 59.9 of the rural households. While a significant proportion of card holders have not participated in the Scheme, a significant number could not get cards. At the State level 45.7 per cent did not participate in the Scheme on any day during the year. This may not be the correct estimate because some households participated in the programme using the cards of others and some got work even without job cards. In the present situation there is no way of ascertaining participation rate in the Scheme. Once cards are issued to all the needy households, non-participants can be easily identified. Participation is highest in Mayurbhanj followed by Kalahandi and Sambalpur. It is low in Bolangir, Ganjam and Rayagada districts.

The analysis of financial data revealed that Kalahandi and Sambalpur spent less than 60 per cent on unskilled wages. Further, the average wage rate is less than the minimum in four districts viz., Sambalpur, Bolangir, Mayurbhanj and Rayagada. It is not clear whether it is due to payment of low rates for piece-rate contract or due to working less than seven hours a day. There is a need to note down the hours spent by the workers in the muster roll and also conduct time-motion studies. Wage income per household ranged between Rs.3160 and Rs.4000 in Bolangir, Mayurbhanj and Rayagada. Ganjam showed very poor performance with an average income of Rs.2046.

NREGS funds are spent mainly on rural connectivity, which has no direct impact on agricultural productivity. Share of such expenditure is high at more than 80.0 per cent in Kalahandi, Ganjam and Rayagada districts. Since Orissa is backward agriculturally, activities improving the productivity of agriculture have to be given priority. This can be achieved in two ways. Firstly, the NREGS plan has to include productive schemes. Secondly, there should be convergence between NREGS and district agricultural plan.

The goal of providing employment for 100 days could not be achieved. Only 8.2 per cent of the households in the study area got employment for 100 days during the year. Even at the State level only 11.1 per cent of the households got employment for 100 days. Ganjam district showed the lowest performance with only 3.4 per cent of the households getting employment for 100 days. Kalahandi and Mayurbhanj districts occupy middle position with about 7.5 per cent of the households. Bolangir, Sambalpur and Rayagada are high performance districts with more than 12.0 per cent of the households getting work for 100 days.

There is a significant variation in the employment provided per households across blocks. In addition, there is high variation in employment generated across households within a village. The performance of the Scheme is not uniform across blocks due to provision of employment for a very short period in some blocks. It appears that block is more important than district

in the implementation of the Scheme and performance of each block has to be examined carefully.

While the Scheme is intended to provide employment in the slack season, only 5.0 days of employment per household is generated during April to June during which unemployment is highest. The poor performance in the second quarter may be because of the delay in allocation of funds as the financial year begins with April. If this is the reason, administrative arrangements must be made for the release of funds for first quarter much before the budgetary allocations are decided.

Seasonal requirements are followed more carefully in Mayurbhanj district. Ganjam and Rayagada showed poor performance in this aspect. There is a need to identify the seasonal needs and generate employment as per the needs. While non-provision of employment in the slack season defeats the purpose of the Scheme, provision of employment under the Scheme will lead to tight labour market conditions. A major deficiency in the implementation of the Scheme is poor maintenance of job cards. Entries on the job cards are wrong in many cases.

If we take participation for more than 75 days as the norm, only 13.6 per cent of the households satisfy this criterion. Bolangir occupies the top position with 28.7 per cent of the households reporting employment for more than 75 days and Mayurbhanj stands second with 20.2 per cent. Ganjam is at the bottom with only 2.1 per cent.

The Scheme contributed 8.4 per cent to the income of the participating households. It can be improved to 20.0 per cent if employment is provided for 100 days. The contribution is the lowest in Ganjam and Rayagada at 5.0 per cent and highest in Bolangir at 13.3 per cent. Mayurbhanj also shows good performance with a share of 11.6 per cent. There is decline in the incidence of poverty by 8.7 percentage points, from 42.0 to 33.3. The decline is highest in Bolangir and lowest in Ganjam.

## APPENDIX

**A few instances of wrong entries on cards verified during field survey**

| Village | Card No. | Problem |
|---|---|---|
| Khairmal, Raljaring GP | OR-10-031-004-6382 | No entry of days worked |
| Do | OR-10-031-004-6268 | Worked 12 days, noted 26 days |
| | OR-10-031-004-6310 | 1 person worked 12 days, noted 2 persons 30 days |
| | OR-10-031-004-6274 | 2 persons for 7 (5+2) days, but noted 32 (14+18) days |
| | OR-10-031-004-6365 | Worked 10 days, noted 18 days |
| | OR-10-031-004-6252 | One person worked 12 days, noted 44 days for 2 persons. A dead woman is shown in JC |
| | OR-10-031-004-6382 | Days not noted, only period is noted |

CHAPTER VI

# People's Perception and Overall Performance

## Introduction

Besides income and employment benefits, the Scheme is expected to provide several indirect benefits to the workers and to the area. Firstly, the Scheme is expected to improve the awareness levels of the people about this Scheme and also about other developmental schemes. It is also expected to empower the people to demand services from the Gram Panchayat. Secondly, it is expected to reduce distress migration from the rural areas and increase the productivity of rural assets, especially land and thus help in accelerating agricultural growth. Thirdly, it is expected that the Gram Panchayat works with other Community Based Organisations and Non-governmental Organisations so that development becomes more participatory and promotes partnerships. A quick understanding of these aspects is possible by collecting the views of the workers. This chapter attempts to analyse the views of the workers on all these aspects.

There are several aspects to be considered for judging effectiveness in implementation. Some of them are qualitative and some are quantitative. All of them have to be aggregated to arrive at the overall index of effectiveness. This chapter also focuses on the effectiveness in implementation.

The overall performance of each district is measured by combining several indicators with proper weights. The indicators are grouped into nine dimensions viz., general, awareness, display of information, worksite facilities, people's participation in Gram Sabha and Social Audit, issue of job cards and provision of employment, timely payment of wages, income and employment gains and perceptions of the workers. Each of these dimensions consists of several indicators which are taken as 0 to 1 scale. These indices are combined with proper weights to arrive at the dimension index. The aggregate index of effectiveness is the sum of the

dimension indices. The performance of the State is measured as the simple average of the indices of the sample districts.

This chapter is organised into the following sections. Section 6.2 focuses on improvement in awareness about the development programmes and improvement in awareness about decisions of the Gram Panchayat. Section 6.3 deals with empowerment of workers from two angles – empowerment to demand services from officials and empowerment to demand services from the Gram Panchayat. Section 6.4 focuses on the impact of the Scheme on the realisation of the right to work. Since this Scheme is demand-based, workers are expected to realise their right to employment. The impact of the Scheme on outmigration is discussed in Section 6.5. Rating of implementation by the workers and agencies responsible for such performance are examined in Section 6.6. People's views about the quality of assets created are examined in Section 6.7 and the impact of the Scheme in achieving integration of GP with CBOs and NGOs is examined in Section 6.8. The effectiveness of the Scheme on the ten dimensions considered and the overall effectiveness are examined in Section 6.9. Summary and conclusions are presented in Section 6.10.

**Improvement in Awareness**

Being a right-based approach, NREGS is expected to improve the awareness of workers about all the development programmes and about the decisions of the Gram Panchayat. The responses of the workers about improvement in awareness about development programmes indicate that they are not very clear about the issue. All the workers reported that there is improvement in awareness (Table 39). Further, 71.5 per cent of the workers reported significant improvement in awareness and only 27.2 per cent reported moderate improvement. The score varied between 80.3 in Rayagada and 94.4 in Kalahandi. Ganjam stands at second position with a score of 87.7. All the other districts got a score of about 84.0.

**Table 39 : Improvement in awareness about development Programmes**

| District | To a large extent | To some extent | No | Total | Score |
|---|---|---|---|---|---|
| Ganjam | 76.3 | 22.7 | 0 | 100.0 | 87.7 |
| Rayagada | 61.5 | 37.5 | 1.0 | 100.0 | 80.3 |
| Kalahandi | 90.3 | 8.1 | 0 | 100.0 | 94.4 |
| Bolangir | 72.8 | 23.5 | 0 | 100.0 | 84.6 |
| Sambalpur | 66.2 | 33.8 | 0 | 100.0 | 83.1 |
| Mayurbhanj | 67.1 | 32.9 | 0 | 100.0 | 83.6 |
| State | 71.5 | 27.2 | 0.2 | 100.0 | 85.1 |

The responses on the improvement in awareness about development programmes appear to be exaggerated and our focused group discussions lend support to this. Most of the workers, more so in the backward region, were happy with the employment accrued to them through REGS and they wanted more employment under this Scheme. Thus , the responses to various questions need to be interpreted with caution.

The workers opined that after their participation in NREGS, their awareness about the decisions of Gram Panchayat has improved. Only 32.9 per cent of the workers responded that their awareness improved significantly. Majority of workers express moderate improvement in awareness (Table 40).

The average score for the six districts is 61.2. Mayurbhanj got the highest score of 70.9 and Rayagada got the lowest score of 49.5. These scores are quite realistic because implementation was quite good and transparent in the former and poor in the latter. Further, there is high variation in the score across districts. Kalahandi and Ganjam are at moderate level with a score of about 60.0. Bolangir and Sambalpur have secured a slightly higher score at around 63.0. It appears that when general questions are asked, the workers tend to exaggerate.

**Table 40 : Improvement in awareness about decisions of Gram Panchayat**

| District | To a large extent | To some extent | No | Cannot say | Total | Score |
|---|---|---|---|---|---|---|
| Ganjam | 39.2 | 42.3 | 0 | 0 | 100.0 | 60.4 |
| Rayagada | 24.0 | 51.0 | 0 | 0 | 100.0 | 49.5 |
| Kalahandi | 24.2 | 71.0 | 0 | 0 | 100.0 | 59.7 |
| Bolangir | 32.1 | 61.7 | 0 | 0 | 100.0 | 63.0 |
| Sambalpur | 32.5 | 67.5 | 0 | 0 | 100.0 | 66.3 |
| Mayurbhanj | 44.3 | 53.2 | 0 | 1.3 | 100.0 | 70.9 |
| State | 32.9 | 56.5 | 0 | 0.2 | 100.0 | 61.2 |

**Empowerment of People to Demand Services**

Since NREGS is a demand-based programme, workers are expected to become empowered to demand services from officials as well as Gram Panchayat. A high proportion of workers (74.6 per cent) felt that the Scheme helped them to have a greater interaction with the officials. This has enhanced their confidence levels and most of them feel that they can demand services from the officials. There is not much variation across districts (Table 41). However, 22.8 per cent of the workers were unable to judge. This aspect is related to backwardness. The proportion of workers expressing ignorance is high in the backward districts of Kalahandi, Bolangir, Mayurbhanj and Rayagada. The proportion varied between 24.0 and 29.0 per cent in these districts. Ganjam has the lowest proportion with 10.3 per cent of the workers expressing ignorance. Sambalpur stands next to Ganjam, though the proportion is significantly higher at 22.1 per cent.

**Table 41 : Empowerment of people in demanding services from officials**

| District | Yes | No | Can't say | Total | Score |
|---|---|---|---|---|---|
| Ganjam | 86.6 | 3.1 | 10.3 | 100.0 | 86.6 |
| Rayagada | 71.9 | 4.2 | 23.9 | 100.0 | 71.9 |
| Kalahandi | 71.0 | 0 | 29.0 | 100.0 | 71.0 |
| Bolangir | 66.7 | 4.9 | 28.4 | 100.0 | 66.7 |
| Sambalpur | 76.6 | 1.3 | 22.1 | 100.0 | 76.6 |
| Mayurbhanj | 72.2 | 1.3 | 26.5 | 100.0 | 72.2 |
| State | 74.6 | 2.6 | 22.8 | 100.0 | 74.6 |

When the workers are asked to express their opinion on their empowerment in demanding services from Gram Pachayat, a very high proportion (94.3 per cent) of them expressed positive impact (Table 42). Both the negative response and ignorance responses are very low at 5.7 per cent. The score for the study area is very high at 94.3 and it is highest in Mayurbhanj followed by Sambalpur and Kalahandi. Ganjam obtained the lowest score in contrast to the score it got for demanding services from officials. The responses for the above two questions may not really reflect any clear understanding on part of the workers and appear to be more casual in nature.

**Table 42 : Empowerment of people in demanding services from Gram Panchayat**

| District | Yes | No | Can't say | Total | Score |
|---|---|---|---|---|---|
| Ganjam | 90.7 | 1.0 | 8.3 | 100.0 | 90.7 |
| Rayagada | 93.8 | 0 | 6.2 | 100.0 | 93.8 |
| Kalahandi | 95.2 | 3.2 | 1.6 | 100.0 | 95.2 |
| BolanGir | 93.8 | 4.9 | 1.3 | 100.0 | 93.8 |
| Sambalpur | 96.1 | 2.6 | 1.3 | 100.0 | 96.1 |
| Mayurbhanj | 97.5 | 2.5 | 0 | 100.0 | 97.5 |
| State | 94.3 | 2.2 | 3.5 | 100.0 | 94.3 |

**Impact of REGS in the realisation of Right to Work**

Almost all the workers are of the opinion that the REGS has helped them in the realisation of Right to Work and the differences across districts are quite negligible (Table 43). The opinion of the workers that they could realise the right to work is a contradiction to the implementation of the process adopted. Employment is not provided on the basis of demand. Since this is the first time that employment is provided to a large number of workers within the village, they may feel that they have realised the right to work. They have no idea about the meaning of right which was confirmed in the focused group discussions. The scores for the study districts are presented in Table 43.

**Table 43 : Impact of REGS in the realisation of Right to Work**

| District | Yes | No | Total | Score |
|---|---|---|---|---|
| Ganjam | 93.8 | 6.2 | 100.0 | 93.8 |
| Rayagada | 99 | 0 | 100.0 | 99.0 |
| Kalahandi | 98.4 | 1.6 | 100.0 | 98.4 |
| Bolangir | 96.3 | 3.7 | 100.0 | 96.3 |
| Sambalpur | 100 | 0 | 100.0 | 100.0 |
| Mayurbhanj | 100 | 0 | 100.0 | 100.0 |
| State | 97.8 | 2.2 | 100.0 | 97.8 |

**Impact on Village Migration**

One of the goals of NREGS is to arrest migration of unskilled workers to outside area in search of employment. The views of the workers about the impact of the scheme on the out-migration of workers are elicited. A high proportion (60.8 per cent) of the workers were of the view that there was considerable reduction in migration and another 19.5 per cent of the workers were of the view, that there is a moderate reduction in migration (Table 44). From these results it can be concluded that this Scheme has clear impact on reducing migration from the rural areas. However, the responses have to be interpreted cautiously because they may indicate

that there is no effect if there was no migration from the village before the implementation of the Scheme. It appears that the responses from Mayurbhanj with a slightly higher proportion of workers indicating no effect may be due to this factor. Ganjam has the highest (36.1 per cent) response of no effect. Employment generation being lowest in this district, the response is proper. The aggregate score is lowest for Ganjam at 47.0 followed by Rayagada at 64.1 and Kalahandi at 68.6. The scores for the other three districts are high around 83.0 indicating greater impact on migration.

**Table 44 : Impact of REGS on village migration**

| District | Conside-rably | Moderately | No effect | No response | Total | Score |
|---|---|---|---|---|---|---|
| Ganjam | 32 | 29.9 | 36.1 | 2.1 | 100.0 | 47.0 |
| Rayagada | 49 | 30.2 | 12.5 | 2.1 | 100.0 | 64.1 |
| Bolangir | 75.3 | 14.8 | 4.9 | 0 | 100.0 | 82.7 |
| Sambalpur | 76.6 | 16.9 | 2.6 | 0 | 100.0 | 85.1 |
| Mayurbhanj | 79.7 | 5.1 | 15.2 | 0 | 100.0 | 82.3 |
| State | 60.8 | 19.5 | 16.1 | 0.8 | 100.0 | 70.6 |

**Rating of Implementation of REGS and Agencies Responsible**

Most of the workers (70.3 per cent) reported that the implementation is effective. However, we have not elicited their understanding of effectiveness. When the programme is implemented as supply-driven programme and when seasonal requirements are not strictly considered in executing the works, implementation cannot be treated as effective. Workers have to be informed about the desirable processes of implementation of the Scheme and how it should help them in maximising their income from the wages. This is possible only when the Scheme takes into consideration their employment requirements in different seasons. The effectiveness score for the study area is 86.4 and it is low at less than 75.0 in Ganjam and Rayagada. In all the other districts the score is more than 90.0 (Table 45).

**Table 45 : Rating of implementation of REGS**

| District | Very Effective | Effective | Less Effective | Not Effective | Can't say | Total | Score |
|---|---|---|---|---|---|---|---|
| Ganjam | 50.5 | 30.9 | 2.1 | 0 | 0 | 100.0 | 71.8 |
| Rayagada | 38.5 | 50.0 | 8.3 | 0 | 0 | 100.0 | 74.6 |
| Kalahandi | 95.2 | 4.8 | 0 | 0 | 0 | 100.0 | 98.4 |
| Bolangir | 82.7 | 14.8 | 0 | 0 | 0 | 100.0 | 92.6 |
| Sambalpur | 94.8 | 3.9 | 1.3 | 0 | 0 | 100.0 | 97.8 |
| Mayurbhanj | 77.2 | 21.5 | 0 | 0 | 0 | 100.0 | 91.5 |
| State | 70.3 | 23.0 | 2.2 | 0 | 0 | 100.0 | 86.4 |

Further probing is made regarding the agencies responsible for the given rating. Five distinct agencies viz., GP, Officials, Development Agencies, Community Awareness and Local Institutions (CBOs and NGOs) are considered to elicit the views of the workers. Among the five agencies , GP and officials are rated as the most important agencies. The score for the GP is 86.8 as against 66.5 for officials (Tables 46 & 47). There is not much variation in the score across districts for GP. The score varied between 84.4 and 89.0. In the case of officials as responsible agency the score is more or less same for four districts excluding Ganjam and Rayagada. The former has got the highest score 79.2 and the latter the lowest at 54.2. The observations during the filed work also revealed that the poor performance in Rayagada block is due to the officials.

**Table 46 : Sarpanch and members of GP as responsible for rating in REGS**

| District | To a large extent | To some extent | Not at all | Total | Score |
|---|---|---|---|---|---|
| Ganjam | 71.9 | 26 | 2.1 | 100.0 | 84.9 |
| Rayagada | 69.8 | 29.2 | 0 | 100.0 | 84.4 |
| Kalahandi | 79.0 | 21.0 | 0 | 100.0 | 88.5 |
| Bolangir | 76.5 | 21.0 | 0 | 100.0 | 87.0 |
| Sambalpur | 79.2 | 19.5 | 1.3 | 100.0 | 89.0 |
| Mayurbhanj | 75.9 | 24.1 | 0 | 100.0 | 88.0 |
| State | 74.9 | 23.8 | 0.6 | 100.0 | 86.8 |

**Table 47: Officials as responsible for rating in REGS**

| District | To a large extent | To some extent | Not at all | Total | Score |
|---|---|---|---|---|---|
| Ganjam | 60.4 | 37.5 | 2.1 | 100 | 79.2 |
| Rayagada | 9.4 | 89.6 | 0 | 100 | 54.2 |
| Kalahandi | 38.7 | 61.3 | 0 | 100 | 69.4 |
| Bolangir | 27.2 | 70.4 | 0 | 100 | 62.4 |
| Sambalpur | 37.7 | 61 | 1.3 | 100 | 68.2 |
| Mayurbhanj | 32.9 | 67.1 | 0 | 100 | 66.5 |
| State | 34.2 | 64.6 | 0.6 | 100 | 66.5 |

**Quality of Assets**

A large number of workers are unable to judge the quality of works in which they participated. For the entire study area 45.1 per cent of the workers expressed their ignorance about the quality of works (Table 48). This proportion has positive association with the backwardness of the district. The workers who expressed their view about the quality were asked to rate the quality as 'very good', 'good', 'average' and 'not good'. The

proportion of households rating the works as 'average' and 'not good' is quite low at 3.7 per cent. All the other households rated them as 'very good' or 'good' with each category getting more or less equal response (24.4 and 26.8 per cent, respectively). The aggregate score ranged between 32.6 for Rayagada and 60.2 for Ganjam. Kalahandi and Bolangir occupy second and third ranks and Mayurbhanj and Sambalpur got the same score of 37.7. It should be noted that Ganjam is backward in implementation and employment generation. But the works taken up may not be of poor quality.

**Table 48 : Perceptions on the quality of assets created**

| District | Very Good | Good | Average | Not good | Do not know | Total | Score |
|---|---|---|---|---|---|---|---|
| Ganjam | 31.3 | 40.9 | 4.8 | 0.7 | 22.3 | 100.0 | 60.2 |
| Rayagada | 13.6 | 26.7 | 3.5 | 2.1 | 54.1 | 100.0 | 32.6 |
| Kalahandi | 36.0 | 15.6 | 1.6 | 0.0 | 46.8 | 100.0 | 46.9 |
| Bolangir | 28.4 | 19.8 | 3.7 | 0.0 | 48.1 | 100.0 | 42.8 |
| Sambalpur | 19.5 | 26.4 | 1.7 | 1.7 | 50.7 | 100.0 | 37.7 |
| Mayurbhanj | 20.3 | 25.7 | 0.9 | 0.0 | 53.1 | 100.0 | 37.7 |
| State | 24.4 | 26.8 | 2.9 | 0.8 | 45.1 | 100.0 | 43.2 |

Workers are also asked about the improvement in response of GP to their needs after the implementation of the Scheme. The responses only reflect their gratitude to the GP for providing employment – 71.5 per cent mentioned that there is significant improvement in the response of the GP to their needs and the remaining workers 27.2 per cent responded that there is some improvement (Table 49). The score is very high at 85.1. Kalahandi got the highest score of 94.4 and Rayagada, the lowest at 80.3.

**Table 49 : Improvement in response of GP to needs of people after REGS**

| District | To a large extent | To some extent | No | Total | Score |
|---|---|---|---|---|---|
| Ganjam | 76.3 | 22.7 | 0 | 100.0 | 87.7 |
| Rayagada | 61.5 | 37.5 | 1 | 100.0 | 80.3 |
| Kalahandi | 90.3 | 8.1 | 0 | 100.0 | 94.4 |
| Bolangir | 72.8 | 23.5 | 0 | 100.0 | 84.6 |
| Sambalpur | 66.2 | 33.8 | 0 | 100.0 | 83.1 |
| Mayurbhanj | 67.1 | 32.9 | 0 | 100.0 | 83.6 |
| State | 71.5 | 27.2 | 0.2 | 100.0 | 85.1 |

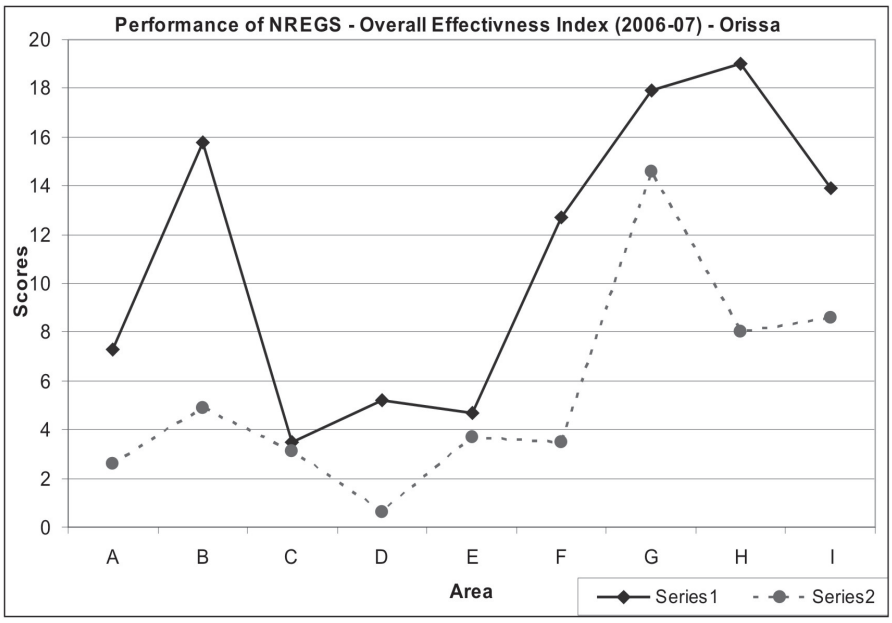
**Overall Effectiveness of the Scheme**

The index of overall effectiveness is calculated in two steps. First, indicators of effectiveness are identified and they are grouped into nine dimensions. Each indicator is expressed on the zero to one scale and they are combined with the help of weights to get the dimension index. The sum of the dimension indices is the index of overall effectiveness. Out of the nine dimensions considered in the calculation of overall effectiveness index, five viz., awareness about the legal provisions of the Scheme, timely payment of wages, issue of job cards and provision of employment, income and employment gains and perceptions of the workers are given high weights as they are very important. These five dimensions together were given a weight of 79.3 per cent. The remaining four dimensions were given a weight of 20.7 (Appendix 1).

The aggregate index for the State is found to be 49.6. Mayurbhanj occupies the top position with a score of 54.3. Bolangir occupies the second position with a score of 50.8. Kalahandi is slightly above the State average. These three districts are relatively better performers. Among the poor performers, Rayagada occupies the lowest position with a score of 47.3. Sambalpur and Ganjam are close in performance.

Since the data on perceptions is not very strong, effectiveness index is constructed excluding this dimension. The aggregate score for the State is 41.0. There is a change in the ranks of the districts with the exclusion of this dimension. Now Ganjam occupies the lowest position and Rayagada is slightly above it. The ranks of the other four districts are not altered. But only two districts viz., Mayurbhanj and Bolangir are above the State average. Kalahandi slipped below the State average as its score on perceptions was very high. Sambalpur came very close to Rayagada. Given the sensitivity of overall index to perception of workers, it is reasonable to conclude that Maurbhanj and Bolangir are top performers, Kalahandi is moderate performer and the remaining three districts viz., Ganjam, Rayagada and Sambalpur are poor performers. Rayagada's poor performance is due to poor awareness, poor worksite facilities and delay in payment of wages. Ganjam district is backward due to lags in display of information, issue of job cards, generation of employment. Sambalpur needs emphasis on awareness creation and generation of employment.

Though the gaps are identified for these lagging districts, there is a need to strengthen some dimensions in all the districts. In order to understand the dimensions that need special care in all the areas, the percentage gap between the weight and aggregate value is calculated. It is shown in the last column of Table 50. Awareness, worksite facilities, issue of job cards have very high gap of more than 70.0 per cent. The gap in benefits is also high at 57.9 per cent. Hence these aspects need emphasis in all the districts. In the presently poor performers close monitoring is needed.




A: General; B: Awareness of workers; C: Display of information on works and wages at GP; D: Worksite facilities; E: Participation of workers in GS and Social Audits; F: Issue of job card and time taken for provision of employment; G: Payment of wages (within 15 days and full payment); H: Gains / Benefits; I : Perceptions of workers

**Table 50 : Index of effectiveness of implementation and benefits of NREGS**

| Areas (Indicators) | Weight | Ganjam | Rayagada | Kalahandi | Bolangir | Sambal-pur | Mayur-bhanj | Aggre-gate | Gap in the Index |
|---|---|---|---|---|---|---|---|---|---|
| General | 7.3 | 3.1 | 3.0 | 2.1 | 3.0 | 3.0 | 2.3 | 2.6 | 64.4 |
| Awareness of workers | 15.8 | 5.4 | 3.8 | 5.1 | 4.4 | 4.0 | 5.6 | 4.9 | 69.0 |
| Display of information | 3.5 | 2.1 | 3.2 | 3.4 | 3.4 | 3.3 | 3.3 | 3.1 | 11.4 |
| Worksite facilities | 5.2 | 0.5 | 0.1 | 0.3 | 0.7 | 0.9 | 1.2 | 0.6 | 88.5 |
| Participation in GS & SA | 4.7 | 3.6 | 3.9 | 4.0 | 3.7 | 3.4 | 3.7 | 3.7 | 21.3 |
| Issue of job cards and provision of employment | 12.7 | 3.1 | 3.5 | 3.6 | 3.7 | 3.5 | 3.7 | 3.5 | 72.4 |
| Timely payment of wages | 17.9 | 15.5 | 13.2 | 14.6 | 13.2 | 15.0 | 16.4 | 14.6 | 18.4 |
| Gains / benefits | 19.0 | 6.3 | 9.0 | 7.8 | 10.0 | 6.8 | 9.2 | 8.0 | 57.9 |
| Perceptions of workers | 13.9 | 8.6 | 7.6 | 8.9 | 8.7 | 8.7 | 8.9 | 8.6 | 38.1 |
| Overall effectiveness | 100.0 | 48.2 | 47.3 | 49.8 | 50.8 | 48.6 | 54.3 | 49.6 | NC |
| Overall effectiveness excluding perceptions | 86.1 | 39.6 | 39.7 | 40.9 | 42.1 | 39.9 | 45.4 | 41.0 | NC |

NC: Not calculated.

**Summary**

The Scheme is expected to provide several indirect benefits like improvement in the awareness levels of the people about all the developmental programmes, empowerment of the people to demand services from the Gram Panchayat, strengthen the natural resource base etc. Perceptions of the workers on these aspects are analysed in this chapter. Information on these aspects is not very strong as the questions are subjective and awareness of the people to these questions is poor. With the help of the information collected on various aspects, an attempt is made in this chapter to calculate the index of overall effectiveness.

The responses of the workers about improvement in awareness about development programmes indicate that they are not very clear about the issue. All the workers reported that there is improvement in awareness. In relative terms, Rayagada is at the bottom and Kalahandi is at the top. While the responses on the improvement in awareness about development programmes appear to be exaggerated, their responses on improvement in awareness about the decisions of Gram Panchayat appear to be more realistic. Only 32.9 per cent of the workers responded that their awareness improved significantly and majority of workers express only moderate improvement. Mayurbhanj got the highest score while Rayagada obtained the lowest. These scores are quite realistic because implementation was quite good and transparent in the former and poor in the latter. Kalahandi and Ganjam are at moderate level and Bolangir and Sambalpur have secured a slightly higher score.

Two inter-related questions are the impact on demanding services from the officials and from GP. A high proportion of workers felt that the Scheme helped them to demand services from the officials and there is not much variation across districts. But a significant proportion of the workers were unable to judge. The proportion of workers expressing ignorance is high in the backward districts of Kalahandi, Bolangir, Mayurbhanj and Rayagada. A very high proportion of the workers expressed positive impact of the Scheme in empowering them to demand the services. Both the negative

response and ignorance responses are very low. Mayurbhanj is at the top followed by Sambalpur and Kalahandi. Ganjam obtained the lowest score in contrast to the score it got for demanding services from officials. The responses for the above two questions may not really reflect any clear understanding on part of the workers and appear to be more casual in nature.

Almost all the workers are of the opinion that the programme helped them in the realisation of Right to Work and the differences across districts are quite negligible. The score is highest for Mayurbhanj and Sambalpur districts and lowest for Ganjam district. The scores for the other three districts are close to the average for the study area.

A high proportion of workers was of the view that there was considerable reduction in migration. The impact is lowest in Ganjam, Rayagada and Kalahandi. The scores for the other three districts are high indicating greater impact on migration.

When workers are asked to rate the implementation, none of them reported that it is not effective or they are ignorant about it. The score is relatively low for Ganjam and Rayagada. Further probing is made regarding the agencies responsible for the given rating. Among the five agencies, development agencies and local institutions are found to be playing an insignificant role. The poor score for these two agencies is because NGOs are not involved in the programme and local institutions are not effective in these villages. Among the other three agencies, GP is rated as the most important agency. There is not much variation in the score across districts for GP. Observations during the field work also revealed that the poor performance in Rayagada block is due to the officials. This is clearly reflected in their responses to the question on rating of implementation.

A large number of workers are unable to judge the quality of works in which they participated. For the entire study area 45.1 per cent of the workers expressed their ignorance about the quality of works. This proportion is more in backward areas as compared with the developed

areas. The score is the lowest for Rayagada and highest for Ganjam. Kalahandi and Bolangir occupy second and third ranks and Mayurbhanj and Sambalpur occupy the next two places with the same score. It should be noted that Ganjam is backward in implementation and employment generation. But the works taken up may not be of poor quality.

A large proportion of workers are not clear about the influence of REGS in bringing GPs, CBOs and NGOs together. This is due to the fact that there was not any involvement of CBOs and NGOs in the implementation of REGS in this State.

Workers are also asked about the improvement in response of GP to their needs after the implementation of the Scheme. The responses only reflect their gratitude to the GP for providing employment. Kalahandi got the highest score of 94.4 and Rayagada, the lowest.

The aggregate index of overall effectiveness for the State is found to be 49.6. Mayurbhanj occupies the top position and Bolangir the second. Kalahandi is slightly above the State average. These three districts are relatively better performers. Among the poor performers, Rayagada occupies the lowest position and Sambalpur and Ganjam are close in performance.

When the effectiveness index is constructed excluding the perceptions dimension, Ganjam occupies the lowest position and Rayagada is slightly above it. The ranks of the other four districts are not altered. But Kalahandi slipped below the State average. Sambalpur comes very close to Rayagada. Given the sensitivity of overall index to perception of workers, it is reasonable to conclude that Mayurbhanj and Bolangir are top performers, Kalahandi is moderate performer and the remaining three districts viz., Ganjam, Rayagada and Sambalpur are poor performers.

An examination of the effectiveness in different dimensions reveals that Rayagada's poor performance is due to poor awareness, poor worksite facilities and delays in payment of wages. Ganjam district is backward due to lags in display of information, issue of job cards, provision of

employment. Sambalpur needs emphasis on awareness measures and generation of employment.

The gaps identified for different districts are only relative and there is a need to strengthen certain aspects of the Scheme in all the districts. In three dimensions namely, awareness building, provision of worksite facilities and issue of job cards, there is a wide gap between what is desired and what is actually prevailing. In addition to this, there is a gap in employment generation as compared to the demand.

**APPENDIX**

**Performance of National Rural Employment Guarantee Scheme (NREGS) - Overall Effectiveness Index (2006-07) - Orissa**

| | Indicators | Weight | Ganjam | Raya-gada | Kalah-andi | Bolan-gir | Samba-lpur | Mayur-bhanj | Study Area |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| A | General | 7.3 | 3.1 | 3 | 2.1 | 3 | 3 | 2.3 | 2.6 |
| | -Convergence of NREGS with other rural development programmes | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | -Innovations | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | -Utilisation of funds | 3.3 | 3.1 | 3 | 2.1 | 3 | 3 | 2.3 | 2.6 |
| B | Weight for awareness | 15.8 | 5.4 | 3.8 | 5.1 | 4.4 | 4.0 | 5.6 | 4.9 |
| | -About NREGA provisions (days of employment, unemployment allowance, wages to be paid, time limit for payment of wages etc.) | 4.8 | 1.6 | 0.8 | 1.4 | 1.0 | 0.9 | 1.8 | 1.3 |
| | -About RTI | 1.5 | 0.4 | 0.2 | 0.4 | 0.5 | 0.1 | 0.5 | 0.4 |
| | -About Social Audit | 2.2 | 0.3 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |
| | -About official to be contacted and procedure for seeking work | 3.1 | 1.0 | 0.9 | 1.6 | 1.2 | 1.2 | 1.9 | 1.3 |
| | -About VMC and *Rozgar Sevak* | 1.6 | 2.0 | 1.8 | 1.7 | 1.7 | 1.8 | 1.5 | 1.8 |
| | -About works under REGS | 2.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

(Contd...)

Appendix (Contd...)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|
| C | Information display at GP | 3.5 | 2.1 | 3.2 | 3.4 | 3.4 | 3.3 | 3.3 | 3.1 |
| D | Provision of worksite facilities | 5.2 | 0.5 | 0.1 | 0.3 | 0.7 | 0.9 | 1.2 | 0.6 |
| E | Workers' participation in Gram Sabha and Social Audit | 4.7 | 3.6 | 3.9 | 4.0 | 3.7 | 3.4 | 3.7 | 3.7 |
| F | Issue of job card and time taken for provision of employment | 12.7 | 3.1 | 3.5 | 3.6 | 3.7 | 3.5 | 3.7 | 3.5 |
| | -Provision of work within 15 days | 9.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | -% of households which obtained the job cards free of cost | 3.7 | 3.1 | 3.5 | 3.6 | 3.7 | 3.5 | 3.7 | 3.5 |
| G | Payment of wages (within 15 days and full payment) | 17.9 | 15.5 | 13.2 | 14.6 | 13.2 | 15.0 | 16.4 | 14.6 |
| | -Receipt of minimum and equal wages | 4.8 | 4.4 | 2.5 | 3.6 | 2.1 | 3.5 | 4.0 | 3.3 |
| | -Timely payment | 5.9 | 4.6 | 3.8 | 4.1 | 4.2 | 4.4 | 5.4 | 4.4 |
| | -Issue of wage slips | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 |
| | -No problems in receipt of full wages | 3.7 | 3.1 | 3.4 | 3.4 | 3.4 | 3.6 | 3.5 | 3.4 |
| H | Gains / benefits | 19.0 | 6.3 | 9.0 | 7.8 | 10.0 | 6.8 | 9.2 | 8.0 |
| -Average number of days of employment | | 6.3 | 2.1 | 3.7 | 3.2 | 3.9 | 3.2 | 3.7 | 3.3 |

(Contd...)

Appendix (Contd...)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|
| | % Share of SCs and STs in employment | 3.5 | 2.2 | 2.7 | 2.9 | 4.7 | 2.4 | 3.8 | 3.1 |
| | % Share of women in employment | 3.6 | 1.7 | 1.9 | 1.3 | 0.7 | 0.5 | 1.3 | 1.2 |
| | % Households with 100 days of employment | 5.6 | 0.2 | 0.7 | 0.4 | 0.7 | 0.7 | 0.4 | 0.5 |
| I | Perceptions of workers | 13.9 | 8.6 | 7.6 | 8.9 | 8.7 | 8.7 | 8.9 | 8.6 |
| | -Realisation about Right to Work | 1.9 | 1.8 | 1.9 | 1.9 | 1.8 | 1.9 | 1.9 | 1.9 |
| | -Realisation about Right to Information | 1.2 | 0.6 | 0.5 | 0.8 | 0.8 | 0.9 | 0.8 | 0.7 |
| | -Quality of assets created | 3.4 | 2.0 | 1.1 | 1.6 | 1.5 | 1.3 | 1.3 | 1.5 |
| | -Realisation that people can demand work from officials and GP | 2.0 | 1.8 | 1.7 | 1.7 | 1.6 | 1.7 | 1.7 | 1.7 |
| | -Effects of REGS- Increase of wages of unskilled workers in other works | 1.9 | 0.5 | 0.2 | 0.5 | 0.5 | 0.3 | 0.8 | 0.5 |
| | -Reduction in the migration due to NREGS | 1.4 | 0.3 | 0.4 | 0.5 | 0.6 | 0.6 | 0.6 | 0.5 |
| | -More informed about decision making at GP | 1.1 | 1.0 | 1.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| | -Effectiveness of planning and implementation of REGS | 1.0 | 0.7 | 0.7 | 1.0 | 0.9 | 1.0 | 0.9 | 0.9 |
| J | Total weight | 100.0 | 48.2 | 47.4 | 49.8 | 50.9 | 48.6 | 54.2 | 49.5 |

CHAPTER VII

# Conclusions and Policy Implications

The State of Orissa is highly backward in agriculture. This is the State with highest incidence of poverty among Indian States. NREGS is needed not only to improve the incomes of the poor, but also to use the rural surplus labour in capital formation in agriculture. Among the six districts selected for the study, three viz., Rayagada, Kalahandi and Bolangir belong to the KBK region, the area known for its backwardness. Rayagada and Mayurbhanj have very high concentration of ST population. Kalahandi and Mayurbhanj are highly backward in urbanisation. Rayagada has abysmally low literacy rate and Kalahandi and Mayurbhanj are also backward in literacy. Female wage rates are very low in all the districts.

The index of overall backwardness shows that Kalahandi and Rayagada turn out to be the most backward districts and Bolangir and Mayurbhanj are at moderate level. Sambalpur and Ganjam are least backward.

**Awareness**

The most important precondition for the success of the Scheme is awareness among workers about the provisions of the Scheme. It is unfortunate that majority of the workers are not aware of even the three most crucial provisions viz., the days of guarantee; the minimum wage and the time limit for wage payment. Awareness about the remaining three provisions is abysmally low. Rayagada and Sambalpur have very low awareness about the days of guarantee and the minimum wage. Awareness about the minimum wage is poor even in Bolangir.

The low level of awareness is the result of the approach adopted for awareness building. Only officials are involved in these campaigns. NGOs are more capable than officials in awareness campaigns. There is a need to conduct awareness campaigns in the area.

**Registration and Issue of Job Cards**

The procedure adopted for registration and issue of job cards is both defective and incomplete in the State. Job cards are issued on the basis of the BPL Survey of 2002. Many households could not get job cards. The names in the job cards are not currently relevant. Names of some dead persons are also present in the job cards as they are based on the survey conducted in 2002. This is leading to malpractices in implementation. Another defect is not attaching photographs to the job card. The design of the job card is also defective. It has no provision for entering the amount paid towards wages to the worker. It is also desirable to have a provision for mentioning whether the employment is provided on daily wage basis or on piece-rate basis.

There is a need to conduct a fresh survey and issue job cards with up-to-date information. While conducting the awareness campaigns, NGOs can help in the process of registration and issue of job cards. Though not many cases of malpractices came to notice in the issue of job cards, there is a need to completely eradicate corruption in the issue of job cards.

Training is provided to all the elected representatives and officials at the time of inception of the Scheme. While it is adequate in certain aspects, there is a need to provide more intensive training in some aspects like preparation of village plans in a participatory mode and conduct of Social Audit. It is necessary to train the elected representatives as well as the officials in the conduct of Social Audit and achieving integration of NREGS Plan with various other plans like CDAP, Hariyali Plan etc. Regular training programmes have to be conducted on these aspects to all the new incumbents.

The Scheme is not implemented as a demand-based one. Whenever work is sanctioned, workers are asked to apply. They are not encouraged to apply

whenever they need employment. Officials are not able to assess local requirements of employment properly. There is a need to educate the workers to inform the officials about their employment needs. Information about agricultural slack has to be ascertained in advance. Assistant Project Officers at the block level have to take initiatives in this respect.

The major deficiency in implementation is delay in wage payment. Procedures have to be evolved for quick measurement of the work completed. Modern methods of IT can be used to reduce the time required for measurement of work and adequate staff has to be provided wherever necessary.

Officials are careless in making entries in the job card. Columns are either filled wrongly or left blank. A frequently made excuse for wrong entries is the compulsion to provide employment to persons not having job card. All wrong entries are covered up under this alibi. If all the households in need of job card are provided with, many irregularities can be controlled.

There is a need to achieve convergence of NREGS with other programmes. This will be beneficial in several respects. Presently low priority is accorded to schemes that improve the natural resource base as they are under the purview of other programmes. Convergence with other schemes helps in taking up these schemes under NREGS. Further, the norm of spending at least 60 per cent of the amount on unskilled wages, which is violated presently because of the nature of certain schemes, can also be met through convergence.

Provision of obligatory facilities at the worksite should be made mandatory. The average wage rate is less than the minimum wages in four districts. It is not clear whether it is due to short working day of less than seven hours or because of the fixation of low rates in piece-rate contract. There is a need to examine this problem deeply through work-time-motion studies specific to the areas. There is a need to note down the hours spent by the workers in the muster roll on every day.

Participation of the card holders is low in Bolangir, Ganjam and Rayagada districts. There is a need to identify reasons if any household has not participated in the Scheme on any day in the year.

NREGS funds are spent mainly on rural connectivity, which has no direct impact on agricultural productivity. More than 80.0 per cent of the amount was spent on rural connectivity in Kalahandi, Ganjam and Rayagada districts. Since Orissa is backward agriculturally, activities improving agriculture have to be accorded top priority. This can be achieved in three ways. Firstly, the NREGS plan has to include productive schemes. Secondly, there should be convergence between NREGS and district agricultural plan. Thirdly, there should be a restriction on the use of funds for rural connectivity. In the absence of proper information to the people, only works of this type will be identified in the Gram Sabha.

It is difficult to assess the quality of assets especially when most of the expenditure is on rural connectivity. Other assets like culverts, tank de-silting and flood control measures are found to be of good quality. One important activity that is introduced on a significant scale is digging farm ponds on lands of the workers. It is necessary to encourage these works as there is private initiative in these works and productivity is ensured in these works. It works in the manner of traditional system of exchange labour and agricultural productivity rises. In the context of decline in irrigated area in recent times, farm ponds provide a good opportunity to improve agricultural productivity.

Social Audit and Vigilance and Monitoring Committee are two important measures of transparency built into the Scheme to improve its efficiency. But the field situation has been quite unsatisfactory. Social Audit should be conducted regularly. It is better if officials from other blocks participate in Social Audit.

Only 8.2 per cent of the households who participated in the Scheme worked for 100 days during the year. Though all the participants may not need employment for 100 days, it cannot be attributed entirely to demand deficiency. Care has to be taken to see that all the households who want to work for 100 days are provided with. There is a need for verification of job cards every year to identify the reasons for working less. This is possible only after providing re-designed job cards to all.

The success of the Scheme in providing employment and income depends on provision of employment in the slack season. Only 5.0 days of employment per household is generated during quarter April to June during which unemployment is highest. This performance may be because of the delay in allocation of funds as the financial year begins with April. If this is the reason, administrative arrangements must be made for the release of funds for the first quarter much before the budgetary allocations are decided.

Seasonal employment requirements are followed more carefully in Mayurbhanj district. Ganjam and Rayagada showed poor performance in this aspect. There is a need to identify the seasonal needs and generate employment accordingly. While non-provision of employment in the slack season defeats the purpose of the Scheme, provision of employment under the Scheme during peak season will lead to tight labour market conditions.

If we take participation for more than 75 days as the norm, only 13.6 per cent of the households satisfy this criterion. Bolangir occupies the top position with 28.7 per cent of the households working for more than 75 days and Mayurbhanj stands second with 20.2 per cent. Ganjam is at the bottom with only 2.1 per cent.

Wages income per household ranged between Rs.3160 and Rs.4000 in Bolangir, Mayurbhanj and Rayagada. Ganjam showed very poor performance with an average income of Rs.2046. In order to understand the benefits of the Scheme, a simple indicator is the days for which works

are implemented in each of the villages. If the works are taken up for a short period, there is a need to elicit whether it is due to low demand or due to poor implementation processes.

There is a need for organising awareness campaigns through the participation of NGOs. The State can create a cadre of para-professionals such as Social Animators and Social Organisers to mobilise the community, build awareness and provide counselling services. All these efforts could help in making the Scheme demand-led.

A fresh survey has to be carried out to issue new job cards with proper design and photographs of all the workers in the household. There is a need to include a column in job card for wages paid and the basis on which wage is paid. Any malpractices in filling the job cards have to be taken seriously.

Training has to be provided periodically to the elected representatives as well as the officials in aspects like Social Audit and convergence of NREGS Plan with various other plans like CDAP, Hariyali Plan, and Watershed Plan etc. Regular training programmes have to be conducted on these aspects to all the new incumbents.

Delay in wage payment has to be reduced by introducing modern methods of IT in measurement of works. Additional staff has to be provided wherever needed. Provision of obligatory facilities at the worksite should be made mandatory.

There is a need to plan for convergence with other development programmes which will also help in maintaining labour and material ratio.

Proper work-time-motion studies specific to the areas to fix proper wage rates for piece-rate contract. The rates should be gender-specific. There is a need to identify reasons and identify the households who have not participated in the Scheme throughout the year.

People should be enlightened on the need for strengthening the natural resource base and land and water resources. Construction of farm ponds has to be scaled up. Emphasis should be laid on convergence between NREGS and district agricultural plan. There should be a restriction on the use of funds for rural connectivity.

Concerted efforts have to be made to ensure that all those households who want to work for 100 days are provided employment for 100 days. Employment for women should be given top priority not only to improve their incomes but also to raise market wage rate.

There is a need for verification of job cards every year and identify the reasons for households working less. This is possible only after providing re-designed job cards to all the households who need a card.

The responsibilities of APO have to be defined more clearly. Funds for the first quarter of the financial year have to be released much before the budgetary allocations are decided.

Labour budgets have to be prepared in a participatory mode in consultation with the labour group to ensure employment generation in slack seasons.

1. Responses of Intermediate Panchayat (IP) Members
2. Responses of Programme Officer (PO)
3. Responses of District Officials (DPC / ADPC)

## Centre for Wage Employment and Poverty Alleviation

### Vision

To become a nodal research and training centre with special focus on Rural Wage Employment Programmes and Poverty Alleviation.

### Thrust Areas

Training activities relating to Planning and Management of Wage Employment Programmes, Assessment of Impact of Rural Development Programmes on Rural Poverty Reduction and Livelihood Security.

### Instruments

- Conducting research on poverty and sustainable livelihoods
- Assess periodically the effectiveness of wage employment programmes
- Documentation of successful cases / best practices
- Develop training modules and course material in a partnership mode
- Organize training programmes for RD functionaries of wage employment programmes
- Conduct workshops on the major development issues of poverty, labour markets and wage employment programmes to sensitise policy makers.

# Vision

*The vision of NIRD is to focus on the policies and programmes that benefit the rural poor, strive to energise the democratic decentralisation processes, improve the operation and efficiency of Rural Development personnel, promote transfer of technology through its social laboratories, technology park, and create environmental awareness.*

*As a "think-tank" for the Ministry of Rural Development, the NIRD, while acting as a storehouse of information on rural development, would assist the Ministry in policy formulation and choice of options in rural development to usher in change.*

# Mission of NIRD

*"To examine and analyse the factors contributing to the improvement of economic and social well-being of people in rural areas on a sustainable basis with focus on the rural poor and the other disadvantaged groups through research, action research, consultancy and documentation efforts".*

*"To facilitate the rural development efforts with particular emphasis and focus on the rural poor by improving the knowledge, skills and attitudes of rural development officials and non-officials through organising training, workshops and seminars".*