

MG NREGS Supporting Livelihood in Himachal Pradesh

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Abstract. Livelihood security has remained a challenge to drag the rural masses out of the poverty, especially the weaker and marginal sections of the society. MG NREGA has been enacted with a view to providing livelihood security to people residing in rural areas by means of unskilled wage employment for atleast for 100 days to each household. The implementation of MG NREGS has positively affected the lives of rural folk in different dimensions. The paper analyses the three dimensions viz. employment generation, accrual of income and livelihood support in three selected development blocks of district Sirmour, HP. The study has been undertaken on the basis of web hosted official data with its analysis on the aforesaid three dimensions, findings and suggestions for extending livelihood support to the deserving population in future.

Keywords: Accrual of Income, Employment generation, Households, Job Cards, Livelihood support, Marginalized Sections, MG NREGS, SCs, STs, Unskilled wages

1 Introduction

The concept of rural development has emerged with new force as the top of agenda in national politics of the developing countries because a significant number of people are residing in rural areas in such countries. Rural Development has today become an objective not only of the local and regional concern, but a pragmatic objective, fully backed by national government and international organizations. Robert Chambers (1983) defined rural development as a strategy to enable a specific group of people, poor rural women and men, to gain for themselves and their children more of what they want and need. It involved helping the poorest amongst those who seek a livelihood in the rural areas to demand and control more of the benefits of rural development.

‘Livelihoods’ encompass all those activities by which a family earns as income, in monetary or non-monetary terms, to feed and clothe its members, provide shelter, and take care of its needs such as health and nutrition, education and skills, and so on. It includes actions to build or increase value of assets such as land, water and forest, the use of which gives income.

Activities such as agriculture, fishing, rearing animals, collecting daily necessities like water, fodder, food items as well as goods like timber and medicinal plants from surrounding wasteland and forest, agricultural as well as non-agricultural wage work, crafts, employment in trades and professions could all be counted under the spectrum of livelihoods.

Livelihood through MG NREGS

The Act aimed at enhancing livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. MGNREGA is the first ever law internationally, that guarantees wage employment at an unprecedented scale. MG NREGS, being an ambitious programme aimed at the twin objectives of rural reconstruction and employment generation doles out array of hope & dreams to the people. The scheme has been formulated keeping in mind the aim of boosting rural economy by generating meaningful wage employment. The primary objective of the act targeted augmenting wage employment whereas auxiliary objective focused strengthening natural resource management through works that address causes of chronic poverty like draught, deforestation and soil erosion and so encourage sustainable development. The significant objectives of the MG NREGS included ensuring social protection for the most vulnerable people living in rural areas through providing employment opportunities, besides ensuring livelihood security for the poor as well as aiding in the empowerment of the marginalized communities, especially Women, Scheduled Castes (SCs) and Scheduled Tribes (STs).

MGNREGA, over the last decade, has emerged as a powerful instrument for inclusive growth in rural India through its impact on social protection, livelihood security and income generation by creating employment opportunities. The MG NREGA marked a paradigm shift from previous wage employment programmes planned and implemented in India's history. MGNREGA, unlike any other in its scale, architecture and thrust, has an integrated natural resource management and livelihoods generation perspective. The Scheme envisaged bottom-up, people-centred, demand driven, self-selecting and rights-based design that provided a legal guarantee of wage employment besides being a demand-driven programme where provision of work is triggered by the demand for work by wage-seekers. Net household

income or income as a fraction of household income is considered as an indicator of the relevance of the Scheme for the poor.

2. Need of the study

Himachal Pradesh is one of the few mountainous states of India which has typical geography, topography, climatic conditions and culture as compared to the rest of the India. Himachal Pradesh began its journey as an independent state in the year 1971 and since then it has been the endeavor of the state to formulate schemes and programmes for the benefit of the people of the state so as to cater to the large population of 6.08 million which is distributed unevenly over an area of 55,673 sq.km. in twelve districts.

Sirmaur is one of the most backward districts out of twelve districts of Himachal Pradesh. This district has an area of 2825 sq.km and a population of 458593 persons as per 2011 census. Sirmaur is a district in which most of the population was dependent on agriculture for their livelihood but of late number of operational holdings is on the decline. There are six development blocks at Nahan, Pachhad, Paonta, Rajgarh, Sangrah and Shillai respectively who are looking after rural development programmes. Different schemes aimed at rural development are being implemented in the district as a part of state level implementation. In 2006, the ambitious act, MG NREGA was enacted in the country and launched in 200 most backward districts. Sirmaur and Chamba districts from Himachal Pradesh were included in this phase, keeping in view the backwardness and poor socio economic indicators in these two districts in comparison to other districts. The incidence of MG NREGS implementation was expected impact the employment generation, accrual of income and livelihood support, especially the marginalized sections of the society. There appeared an evident need to study that –

- How rural folk have reacted to MG NREGS as a scheme of employment generation
- Whether the potential job seekers could get their households registered under MG NREGS
- Whether the scheme could result into employment generation for the deserving people
- Whether the marginalized sections of the society could gain income and social security net
- Whether the scheme has provided the livelihood support to the people residing in the rural areas

The present research paper has been attempted to study the aforesaid research questions.

3. Literature Review

Ambasta et al (2008) strongly recommended reforms to realise the massive potential of the MGNREGA and held up that it holds out the prospect of transforming the livelihoods of the poorest of the poor and heralding a revolution in rural governance in India.

CSE (2008), using primary data collected from two districts, Nuapada district in Orissa and Sidhi district in Madhya Pradesh, the authors have assessed the potential of the NREGA in providing food and livelihood security and observed that the potential of NREGA in reaching the rural poor is unsurpassed.

CSE (2008) in another work looked at NREGA as an opportunity to make jobs work for village development and showed that in 2006–07 alone MGNREGA has created more than half a million productive assets, mostly water and soil conservation structures. Each of them has the potential to herd poverty out from villages. On the other hand, the Act has not been able to generate the kind of employment demand as expected. It has created only an average of 43 days of employment in 2006–07. Further, the NREGA targets development in backward districts using the huge demand for casual jobs. Its challenge is to turn the demand for casual job into productive employment.

Johnson (2009) in a study observed that MGNREGA provided income for poor households when they most need it, i.e. when they were hit by adverse weather conditions. Each millimetre (mm) in deficit rainfall suffered by a sub district was correlated with nearly Rs 20 in additional MGNREGA wages per working age person, while each extra day of rain went with reduced MGNREGA wages per working age person by slightly over Rs 7.

CRRID, (2009) conducted an assessment of MGNREGA in three districts, viz. Sirsa in Haryana, Sirmaur in Himachal Pradesh and Hoshiarpur in Punjab. The study aimed at identifying efficient management practices, procedures, processes, and recommending interventions and strategies for dissemination and upscaling. In case of Himachal Pradesh, it was found in the study that nearly three-fourth Panchayats in Sirmaur district reported that agricultural productivity has increased due to MGNREGA activities, no change in migration of the workers in Sirmaur but decrease in outmigration from the villagers in all the panchayats in Sirmaur.

CSE (2009) in its paper made a case for using MGNREGA as an effective development tool. In the context of rural poverty, the MGNREGA should be seen more as a livelihood-generating programme than a wage-earning scheme. It offers a unique opportunity to turn around rural development.

NSSO (2011) found it important to observe the average number of days when work other than MGNREGA was available. In the case of Andhra Pradesh other work was available on an average for 16 days (at a wage rate of Rs 74/day), whereas MGNREGA work was available for 20 days (at a wage rate of Rs 89/day). Madhya Pradesh and Rajasthan demonstrated similar trends with MGNREGA providing more number of days of work at a higher average per day wage rate.

Jha et al (2011) in their study, surveying 1,500 households in three states viz. Andhra Pradesh, Rajasthan and Maharashtra observed that the share of MGNREGA in the income of the poor was the highest in Andhra Pradesh (about 17 per cent), 10 per cent in Rajasthan and 7 per cent in Maharashtra.

Imbert and J. Papp (2011) based on NSSO 64th Round Survey during agricultural year 2008–09, both male and female workers reported earning an average of Rs 79 per day for work under the Act. These earnings were 12 per cent higher than the average daily earnings for casual workers.

Engler and Ravi (2012) in a longitudinal survey of 1,064 rural households across Medak district of Andhra Pradesh, found around 12 percent of the households indicated that their household income had increased as more members of the same household were being able to work. It was further found that around 67 per cent of the households said they use MGNREGA as a source of income when no other work was available.

Dutta et al (2012) found that providing extra work opportunities and income to the poorest in the rural areas is the most direct and obvious way among number of distinct ways in which MGNREGA can impact poverty.

Mangatter (2012) in his research analysing the impact of MGNREGA income on rural entrepreneurship in Birbhum district of West Bengal concluded that around 17 per

cent (out of 96 Job Card holders surveyed) of the rural households used MGNREGA income to run, expand or start a rural business.

Berg et al (2012) in their study using monthly wage data from the period 2000–11 for a panel of 249 districts across 19 States confirmed that the increase in wages was also visible in real terms. The study found that MGNREGA boosts the real daily agriculture wage rate by 5.3 per cent. The wage effect is equal for both men and women. It also appears to be targeted well as it only affects unskilled wages and not skilled wages.

The afore presented review of literature gave an illustration on contribution of MG NREGS in India across different states including Himachal Pradesh in context of employment, income, livelihood and quality of life.

4. Objectives of the Study:

The paper has been attempted with the following specific objectives-

- i. To study the employment generation from MG NREGS in selected blocks of District Sirmour, HP.
- ii. To examine and analyse the accrual of income to workers from MG NREGS. .
- iii. To find out the livelihood support provided, especially to marginalized groups by MG NREGS in HP
- iv. To make recommendation for extending more opportunities for livelihood support from MG NREGS to rural people.

5. Research Methodology

Sirmour is one of the backward districts of the State where MG NREGS has been implemented in the Phase-1 in 2006. The district has six development block out of which three blocks viz. Nahan, Pachhad & Paonta have been selected as sample. Pachhad block represented the hill area, Paonta is a typical plain valley and Nahan block represented hills and plains geographical area. The paper has been attempted on the basis of secondary data collected from the web portal of MG NREGA for three development blocks viz Nahan, Pachhad and Paonta for the year 2014-15. The geographical contrast of these three blocks indicated the variation in employment generation, accrual of income and livelihood support in respective dimensions.

6. Results and Interpretation

In view of the objectives of the paper, the data analysis has been presented in the respective three broad categories, as under:

6.1 Employment Generation

The employment generation has been the prime objective of MG NREGS. The data in this regard has been presented in table below:

Table 1.1 Employment Generation Information

Sr. No.	Particulars	Unit	Development Block		
			Nahan	Pachhad	Paonta
1.	HH with issued job cards	No.	12794	11094	22389
2.	HH demanded employment	No.	5761 (45.0)	5124 (46.0)	5926 (26.0)
3.	HH provided employment	No.	5092 (88.0)	4740 (93.0)	5286 (89.0)
4.	Employment to BPL families	No.	295 (5.79)	26 (0.55)	534 (10.10)
5.	HH completed 100 days	No.	749 (14.70)	399 (8.42)	276 (5.22)
6.	Employment generated	Person days	2,74,029	2,19,419	2,22,844
7.	Average employment per HH	Days	54	46	42

Source: www.mgnrega.nic.in; Figures in parentheses present percentages

The range households (HH) registered with job cards ranged minimum in Development Block Pachhad and maximum in Development Block Paonta. There was sufficient variation in the household demanding employment as 46% households demanded job in Development Block Pachhad, 45% households in Development Block Nahan and 26% households in Development Block Paonta. The trend reflected a pattern of occurrence of more demand of employment in geographically tough areas in comparison to moderate or plain areas. The range of providing employment in comparison to the household demanding employment remained between 93% to 88% households, the trend of geographical deprivation resulting into higher demand of employment was observed in this regard too as 93% households were provided job in Development Block Pachhad. In contrast to this, the pattern was not repeated in households completing 100 days in a year. Though the range of households completing 100 days employment in a year remained between 276 to 749 days but household completing 100 days in a year as a percentage of households demanding job remained highest 14.70% in Development

Block Nahan, 8.42% in Development Block Pachhad and 5.22% in Development Block Paonta. Noticeably, more than two lakh person days employment was generated in every Development Block. The maximum days i.e. 2.74 lakh persons days were generated in Development Block Nahan in contrast to 5761 households demanding employment, 2.22 lakh person days employment generation against 5926 households demanding employment in Development Block Paonta and 2.19 lakh person days employment in the proportion to 4740 households demanding employment in Development Block Pachhad. It is worth mentioning here that lesser quantum of employment was generated in the geographically tough area. The average days of employment provided in all the three development blocks remained higher than the national average of 40 days per annum which was 54 days for Development Block Nahan, 46 days for Development Block Pachhad and 42 days for Development Block Panota.

The beneficiaries of land reform/Indira Awas Yojna, i. e. the below poverty line (BPL) families termed as potential job seekers from the MGNREGA whereas 295 BPL families against 5092 HH in Development Block Nahan, 26 BPL households against 4740 households in Development Block Pachhad and 534 BPL households against 5286 households in Development Block Paonta were provided employment, resulting into 0.55% BPL families in Development Block Pachhad, 5.79% BPL families in Development Block Nahan and 10.10% BPL families in Development Block Paonta were able to gain employment in sample area through MG NREGS in District Sirmour.

6.2 Accrual of Income

The implementation of MG NREGS had resulted into direct income earning for the unskilled, semi-skilled and skilled workers in the respective development blocks. The information in respect of accrual of income has been presented in the table below:

Table 1.2: Accrual of Income Information

Sr. No.	Particulars	Unit	Development Block		
			Nahan	Pachhad	Paonta
1.	Expenditure Incurred				
a.	On Unskilled Wage	Rs. In Lakh	387.68	352.44	300.52
b.	On Semi-skilled and Skilled Wage	Rs. In Lakh	8.20	1.49	5.35
c.	On Material	Rs. In Lakh	136.19	135.30	184.75
2.	Payment Due				
a.	On Unskilled Wage	Rs. In Lakh	0.00	0.33	1.23

b.	On Semi-skilled and Skilled Wage	Rs. In Lakh	0.00	0.97	0.45
c.	On Material	Rs. In Lakh	0.00	1.58	0.00
3.	Average Wage per personday	Rs.	153.65	153.90	153.60
4.	Cost Per Personday	Rs.	212.89	218.70	249.78
5.	Average Income per HH	Rs.	7607.00	7435.00	5685.00

Source: www.mgnrega.nic.in

It was encouraging that more than Rs. 300 lakh was disbursed to MGNREGA workers as wages in each sample development block. As wages to unskilled workers, Rs. 300.52 lakh disbursed in Development Block Paonta, Rs.352.44 lakh in Development Block Pachhad and Rs. 387.68 lakh in Development Block Nahan was actual income of the MGNREGS workers. It was further impressive that very negligible amounts such as Rs. 0.33 lakh in Development Block Pachhad and Rs. 1.23 lakh in Development Block Paonta was the delayed payment whereas in Development Block Nahan no payment was pending. Although the average cost per day per person varied for Rs. 212.89 in Development Block Nahan, Rs. 218.70 in Development Block Pachhad and Rs. 249.78 in Development Block Paonta, yet the average wage rate was around Rs.153/- per person per day in all the three sample development blocks. In addition to the above amounts of unskilled wages, the skilled workers in three development blocks earned income as semi-skilled and skilled wages amounting to Rs.1.49 lakh in Development Block Pachhad, Rs. 5.35 lakh in Development Block Paonta and Rs. 8.20 lakh in Development Block Nahan. The average income earned by each household was Rs.7606/- in Development Block Nahan, Rs. 7435/- in Development Block Pachhad and Rs.5685/- in Development Block Paonta. The scheme could help the unskilled, semi-skilled and skilled workers tangibly with additional income to a handsome extent.

6.3 Livelihood Support

As a result of employment generation and earning of direct income, the scheme has resulted as a means of livelihood support to the rural people, especially the marginalized groups. The data of the three selected development blocks has been presented in the table below:

Table 1.3: Livelihood Support Information

Sr. No.	Particulars	Unit	Development Block		
			Nahan	Pachhad	Paonta
1.	HH with job cards	No.	12,794	11,094	22,389
a	SC Households	No.	4,093	4,543	5,866

			(32)	(40.95)	(26.20)
b	ST Households	No.	873 (6.82)	49 (0.44)	484 (2.17)
2.	Employment generation	Persondays	2,74,029	2,19,419	2,22,844
a	SC Persons	Persondays	93,193 (34)	80,101 (37)	65,560 (29.42)
b	ST Persons	Persondays	9,280 (3.39)	1,318 (0.61)	2,381 (1.07)
c	Women	Persondays	1,12,664 (41.12)	81,188 (37)	64,317 (28.86)

Source: www.mgnrega.nic.in; Figures in parentheses present percentages

Though Development Block Paonta had the maximum 22,389 job cards amongst the sample area, yet the incidence of SC families having job cards was maximum 40.95% in Development Block Pachhad in comparison to 32% in Development Block Paonta and 26.20% in Development Block Nahan. The share of ST households in having job cards was quite negligible with 6.82% in Development Block Nahan, 0.44% in Development Block Pachhad and 2.17% in Development Block Paonta. The above status of holding job cards indicated the availability of employment opportunities to all the social groups of population, however, the getting the employment depended on the application for demand of job. The share of marginalized groups in livelihood support presented different facets in this dimension. The maximum share of SC households was 37% in Development Block Pachhad whereas it was 34% in Development Block Nahan and 29.42% in Development Block Paonta block. The share of ST households was quite meagre in the sample area i.e. 0.61% in Development Block Pachhad, 1.07% in Development Block Paonta and 3.39% in Development Block Nahan. The reason for this minimal share of ST households in livelihood support could be attributed to the reason i.e. concentration of ST families in the scheduled areas declared as tribal area in Himachal Pradesh, different to the practice prevailing in the other parts of the country. The share of women in availing the employment did not present a very impressive status in the sample area, especially when Himachal Pradesh had achieved the first position in the country for women participation in MGNREGA. The maximum 41.12% participation of women was found in Development Block Nahan, followed by 37% in Development Block Pachhad and 28.86% in Development Block Paonta in the sample area. The BPL families/Indira Awas Yojna (IAY) beneficiaries, assumed as the potential job seekers in MGNREGA, could also earn livelihood from the scheme.

7. Findings and Suggestions

On the basis of the analyses of the data in the preceding paragraphs, the results have been presented as the following findings in the corresponding three categories:

7.1 Employment Generation

- There was sufficient variation in the number of registered workers with job cards in comparison to the workers seeking job. This trend indicated that effective demand for job prevailed to quite a lesser extent as there was pressure on officials to register maximum households as workers under MGNREGA.
- The maximum households demanding job, around 90% were provided with the job in the sample development blocks which provided an evidence of employment generation for the targeted beneficiaries who demanded it.
- A pattern of occurrence of more demand of employment in geographically tough areas in comparison to moderate or plain areas was found in the sample area but it was not repeated in case of families completing one hundred days employment in one year.
- The number of households which could avail one hundred days guaranteed employment was quite less say 5-15% against the households demanding employment which proved to be an indicator of better livelihood option availability in the area selected as sample.
- The average days of employment provided in a year was higher than the national average in all the three development blocks.
- The aforesaid fact was further strengthened by the significantly lesser percentage of BPL families availed the employment under MGNREGA. It also indicated their lack of awareness on the employment opportunities and other related benefits available from MGNREGA.
- Above all, substantial employment opportunities were generated across all the sections through MGNREGA in the sample area in all the three blocks.

7.2 Income Generation

- In terms of income generation, it was appreciable to find out more that Rs. 300 lakh were earned as income by the households in each sample blocks. Besides this, additional income was earned by semi-skilled and skilled workers in the sample area.

- Another encouraging feature was the due payments, a meagre amount was pending in development block Paonta whereas no wage payments were pending in two other sample blocks. This indicated the pattern of disbursement of wages to workers in time.
- The average wages earned by workers in the sample area remained quite close to the notified wage rate during the period which established the better performance and productivity of workers as well as appropriate constitution of groups of workers.
- The average income added from MGNREGA remained more than five to seven thousand per household in sample area, an additional source of income at door step for each household.

7.3 Livelihood Support

- Sufficient employment opportunities were afforded to marginalized groups especially SC families since the ratio of families possess job cards was more than the proportion of their percentage in the population at the state level.
- The trend of share of SC families repeated in employment generation as sufficient households from SCs section were benefitted from MGNREGA by availing job.
- The ST families could also get livelihood support though to quite a lesser extent yet sufficient to their ratio prevalent in the sample area.
- The ratio of women among all the social groups remained highest which emerged as an indicator of socio-economic empowerment of women who not only participated in employment but also earned income for their economic prosperity.

Suggestions

On the basis of analysis of data in consonance with the objectives of this study and the findings drawn, the following suggestions are made to extend and enlarge the livelihood support from MGNREGA.

- To assess the actual effective demand of employment the number of job cards should be reviewed. The job card is made for five years, hence the inactive job cards may be termed as expired after five years.

- There is a genuine need of awareness generation on 100 days guaranteed employment available to each rural household to expand the availability of 100 days employment opportunities to maximum households.
- There appeared a genuine need to undertake sufficient IEC activities to extend employment and increase opportunities to women and BPL families who could not benefit from the MGNREGA to the expected level
- The services of NGO/CBOs may be availed for IEC activities for awareness generation and creation for demand for employment.
- The expansion and coverage of more social groups under MGNREGA will result into more income generation for the deprived and deserving families, ultimately resulting into the economic empowerment of the marginalized groups.

The suggestion made above, if incorporated, will result into expansion of employment generation and livelihood support by economic empowerment of the society and rural people.

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