



Implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme in East Godavari District of Andhra Pradesh.

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Abstract:

National Rural employment Guarantee Scheme (NREGS) is an offshoot of National Rural Employment Guarantee Act 2005, for the first time in the history of independent India the government, which confers legal right to guarantee employment on rural household. The objectives of NREGS are to provide hundred days of wage employment, unskilled manual work to any adult who seek work, livelihood security to rural households and creation of durable assets. The Government has to bring about structural and administrative changes for the benefit of the act to reach the poor. There is a divided opinion about the implementation of the NREGS and its impact on the beneficiaries. The scheme, which guarantees employment, is supposed to bring changes in the income and consumption pattern of the households, leading towards, sustainable development. Therefore an attempt is made to undertake a study with some specific objectives. This paper attempts to examine the implementation of Mahatma Gandhi National Rural Employment Guarantee scheme in East Godavari District of Andhra Pradesh.

Keywords: Rural Employment, Employment Guarantee, income, consumption

Introduction

National Rural Employment Guarantee Scheme (NREGS) is an offshoot of National Rural Employment Guarantee Act-2005. For the first time in the history of independent India, the government, which guarantees employment to every rural household, passed an act, in compliance with the National Rural Employment Guarantee Act (NREGA), passed on 23rd, August 2005. The National Rural Employment Guarantee Act of 2005 has been renamed as Mahatma Gandhi National Rural Employment Guarantee Act by The National Rural Employment Guarantee (Amendment) Act, 2009. It

shall be deemed to have come into force on the 2nd October 2009.

Government of India as well as several state governments launched a plethora of employment generation and poverty eradication programmes in India since the advent of Five Year Plans. But the National Rural Employment Guarantee Scheme implemented in the year 2006 is unique in the sense that employment has been given as a matter of right in the rural areas in India. The procedure, financing and the impact of the scheme on the livelihoods of the rural people the asset creation and income generation nature of the scheme deserves a critical analysis the specific study has been



made relating to East Godavari District. Hence, an attempt has been made to undertake the present study with the following objectives.

Objectives of the Paper:

1. To analyze the impact of NREGS on household incomes
2. To examine the impact on NREGS on the rural employment
3. To suggest policy measures for better implementation of NREGS.

Methodology:

The study is primarily based on primary data though it uses the secondary data also. The data from the households relating to the NREGS the secondary data have been obtained from both published and unpublished documents from the DRDA office, East Godavari District, Kakinada and respective mandal office. The study mainly focuses upon analyzing different dimensions relating to implementation of NREGS works during 2008-09 in the selected mandal of East Godavari district of Andhra Pradesh by selecting a sample of 150 respondents. Broadly, all the sample workers have been divided into four caste categories Viz., Scheduled Castes (SCs), Scheduled Tribes (STs), Backward Classes (BCs) and Other Castes (OCs). In our sample, the proportion of SCs is 20.1 percent, STs is 38 percent, BCs is 21.3 percent and OCs is 20.6 percent. On the other hand the percentage share of SC and ST population in the District are 17.99 percent and 3.89 percent.

East Godavari District is situated on North East of Andhra Pradesh in the Geographical co-ordination of 16° 30' and 18° 20' of the

Northern Latitude and 81° 30' and 82° 36' of the Eastern Longitude. East Godavari District covers a vast portion of the delta area of the Godavari River. This district is located on the north-east coast of Andhra Pradesh. The District is bounded on the North by Visakhapatnam District and the state of Orissa, on the East by Bay of Bengal on the South and on the West by West Godavari District and Khammam Districts. It can be broadly classified into three Natural Zones the Delta, Upland and Agency tracks. It has an area of 10807 Sq.Kms. The headquarters of East Godavari District is Kakinada, which is well connected by rail, road and Kakinada Natural Port with Coastal length of 144 K.M. There are 5 Revenue Divisions with Head Quarters at Kakinada, Peddapuram, Rajahmundry, Rampachodavaram and Amalapuram. 60 Revenue Mandals and 58 Mandal Parishads are existing in the District. A total of 1011 Gram Panchayats are notified.

As per 2001 Census, there are 1344 inhabited villages 60 un-inhabited villages and 22 Towns population is 49.01 lakhs and the Geographical area is 10807 Sq. Kms. East Godavari District is one of the most populous with density populated District in the State. The density of Population is 454 per Sq.Km. Out of the total population 23.50% lives in Urban areas remaining 76.50% lives in Rural areas. In the District 65.50 out of every hundred can read and write. A large section of the working population depends upon Agriculture for their livelihood. As per 2001 Census the population of scheduled caste 8.82 lakhs and that of Scheduled Tribe 1.92 lakhs arriving to 17.99% and 3.91% respectively to the total population of the District.



NREGS, Impact on Employment and Income

The analysis is based on the field study. The empirical analysis relates to the socio-economic characteristics of the NREGS beneficiaries, various aspects of the implementation of the scheme, respondents' views on several issues relating to NREGS, the impact on assets of the household infrastructure development in the chosen sample village and the income generation of the household. Important problems as expressed by the respondents. Public works programs have been used in countries of varying income levels, and with numerous objectives including short term income generation, asset

creation, protection from negative shocks and poverty alleviation.

The much publicized goal of the Eleventh Plan is "Faster and More Inclusive Growth" the participation in the process of growth and sharing of its fruits by socially, economically extended duties of population. To achieve this goal, for reaching the changes in framing the policy and more important is developing the mechanism so as to oversee the impact of such programmes. The National Rural Employment Guarantee Scheme is such policy instrument to eradicate poverty and increase employment and thereby help the poor share the benefits of the growth by increasing the purchasing power.

Impact on Employment:

Table 1. Impact of NREGS on Employment

Type of work	OC		BC		SC		ST	
	No	%	No	%	No	%	No	%
On own farm	27	13	35	15	10	4	20	8
Agricultural labour	30	15	46	19	50	22	49	20
Non-agricultural labour	55	26	54	23	55	24	46	18
Working days in NREGS	96	46	101	43	113	50	135	54
Total	208	100	236	100	228	100	250	100

Source: Computed from field data

Table 1 presents the impact of NREGS on employment. It can be observed from the table that there is a slight differential in the average number of days worked during the year 2008-09. The range is between 208 for OCs, 250 for STs for different social groups. However, there are small differences in different type of works attended during Impact on Income:

the year. As regards NREGS, OCs worked less number of days but they worked more in NREGS. The highest percentage of the working days in NREGS is among STs (54%) followed by SCs (50%), OCs (46%) and BCs (43%). When compared to the other social groups STs are more benefited.



Table 2. Impact of NREGS on Income (Average income)

Type of work	OC		BC		SC		ST	
	Amount	%	Amount	%	Amount	%	Amount	%
On own farm	3240	17.4	4310	24	890	5	2200	10
Agricultural labour	2250	12	3404	19	4440	24	3920	18
Non-agricultural labour	5610	30	2346	14	4775	26	4738	21
Working days in NREGS	7460	41	7711	43	8163	45	11190	51
Total	18560	100	17771	100	18268	100	22048	100

Source: Computed from field data

Table 2 gives the impact of NREGS on the income of the respondents. Average earned income per year ranges from Rs.17771 for BCs to Rs 22048 for STs. It can be observed from the table that the highest proportion of income comes from NREGS for all social groups. The highest proportion of income from NREGS is 51% for STs followed by 45% for SCs, 43% for BCs and 41% for OCs. It may be concluded that the major source of livelihood for rural poor is on NREGS, which has to be improved further. If inclusive growth strategies have to be effectively implemented and the set goals of Eleventh Five Year Plan with regard to reducing of rural poverty are to be realized.

Table 3 presents impact of NREGS on consumption pattern. Macro-economic theory suggests that as income of the poor households increase, there will be a shift from food consumption to non-food consumption. This hypothesis is evident from our data. Almost all food items

have increased ranging from 11% to 87% across the social groups. Increase in cereals, milk, sugar and oil is highest among STs they stand at 32%, 40%, 33.3% and 87.7% respectively. Consumption of pulses is high among BCs (25.7%). Increase in consumption of tea and coffee, vegetables and non-vegetarian is high among OCs, they stand at 28%, 44% and 50% respectively. Consumption of cloth, alcohol and expenditure on ceremonies/ functions has increased considerably among OCs, they stand at 18.3%, 62% and 39% respectively. Consumption of firewood has increased considerably among BCs (101%). Consumption of cosmetics has increased 17.7 % among SCs. In the remaining non-food items STc occupies the first place in the growth of consumption. All of the average STs got the high growth in consumption pattern through the NREGS.



Table 3. Average impact of NREGS on Consumption Pattern (value in Rs)

Item	OC			BC			SC			ST		
	Before	After	% Change									
Food Items (average per week)												
Cereals	95	112	17.8	86	98	13.9	56	64	14.2	53	70	32.0
Pulses	42	50	19.0	35	44	25.7	36	38	5.5	44	54	22.7
Milk	27	35	29.6	23	28	21.7	24	30	25.0	20	28	40.0
Tea/Coffee	25	32	28.0	15	18	20.0	13	15	15.3	10	12	20.0
Sugar	16	20	25.0	13	15	15.3	10	12	20.0	12	16	33.3
Vegetables	25	36	44.0	24	32	33.3	18	23	27.7	19	27	42.1
N0n-vegetarian	30	45	50.0	32	39	21.8	36	40	11.1	28	35	25.0
Oil	30	35	16.6	32	36	12.5	15	21	40.0	14	26	87.7
Others	25	34	36.0	28	34	21.4	20	25	25.0	25	36	44.0
Non-Food Items (per annum)												
Cloth	2154	2550	18.3	2050	2259	10.2	1800	1950	8.3	1787	1895	6.1
Cosmetics	435	450	3.4	420	455	8.3	243	286	17.7	256	300	17.2
Entertainment	127	151	18.9	168	197	17.3	200	237	18.5	157	245	56.0
Education	2154	2500	16.1	1800	2050	13.8	1300	1540	18.5	1300	1650	26.9
Health care	500	600	20.0	450	510	13.3	360	400	11.1	270	358	32.5
Ceremonies/Fun ctions	1258	1750	39.1	1201	1420	18.2	1160	1300	12.1	1287	1365	6.1
Firewood/ Fuel	600	900	50.0	561	1129	101.25	258	508	96.9	900	900	0.00
Smoking	1235	1450	17.4	1158	1342	15.9	1412	1614	14.3	1445	1745	20.7
Alcohol	1850	3000	62.1	1522	1765	15.9	2101	3200	52.3	2544	3954	55.4

Source: Computed from field data



Suggestions: The following policy changes are suggested.

The NREGS is necessarily 'inclusive' at the most basic level in economic terms, because it self-targets those who are willing to engage in arduous physical work for daily wage, in other words the poorest sections of the society. But it is also emerging that the NREGS tend to be more socially inclusive as well, that is disproportionately involves women, SCs and STs as workers in the scheme. This was not entirely expressed when the law was framed. In fact, it was deemed necessary to insure a minimum reservation of 30 percent of jobs for women. And fears were expressed that the more marginalized social groups would also be excluded from the benefits of wage employment through this Scheme.

To enhance livelihood security of landless unemployed rural workers and their family members

Improve the life conditions of the rural poor 'stop the migration and child dropouts in the school.

Proper measures are required to execute timely payment of wages on weekly basis.

Special provisions may be provided for employing the old aged person and physically handicapped people in the NREGS works.

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