
IMPACT OF NATIONAL RURAL EMPLOYMENT PROGRAMME : A STUDY IN TWO DISTRICTS OF ASSAM

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National Rural Employment Programme (NREP) is a part of the Integrated Rural Development Programme (IRDP) undertaken during the Sixth Five Year Plan. The Programme replaces Food for Work Programme in October, 1980 and is designed to promote employment opportunity to the needy rural poor. The major cause of poverty and inequality is large scale unemployment and underemployment and hence the most effective way to deal with the situation is to provide employment and raise income level.

The basic aim of the NREP is to provide employment to the target group of poorer strata of the rural population including small and marginal farmers and landless agricultural and non-agricultural labour families. Employment is to be given to the most needy persons who have no alternative source of income and are living in abject poverty. Keeping this objective in view, the executing authority selects the workers with the help of Gaon Panchayats for wage paid employment in NREP schemes. The wage rate is fixed at Rs. 8.00 per day both for male and female workers. The wages are to be paid partly in cash and partly in kind (1 kg of food grain per worker per day.)

Organisational Set-up

At the state level a separate Directorate is created for planning, implementation and monitoring the programme. In order to streamline

the implementation of the programme, the power is vested with the State Level Co-ordination Committee where representative of the Ministry of Rural Development also participate. At the district level, District Rural Development Agency (DRDA) is created for planning, co-ordination, implementation, review, supervision and monitoring of the programme at the field level. For each civil sub-division there are sub-divisional level Steering Committee. Moreover, for each block there is one Block Level Co-ordination Committee (BLCC) for scrutiny and selection of schemes.

A shelf of projects is prepared by the DRDA to be undertaken in the district. The shelf of projects is expected to provide employment to the selected weaker section of the society besides creation of durable assets for community. The shelf of projects includes construction of link roads, culverts, village tanks, minor irrigation, school building, extension centre, village dispensaries, development of house sites, social forestry programmes, etc. In order to achieve the basic objective for each scheme the permissible material component is earmarked at 40 per cent and the rest 60 per cent is fixed for wage component.

Methodology : Selection of Schemes & Beneficiaries

For field investigation, 180 beneficiaries and 100 non-beneficiaries were selected from 4 Development Blocks of Lakhimpur and Jorhat districts of Assam. From each Development Block, 3 labour intensive schemes were selected at random for field investigation. From each selected scheme, 15 beneficiaries and 8 or 9 non-beneficiaries were selected at random and data was collected. The study was conducted in 1985 with 1983-1984 as the reference year. For selection of the beneficiaries as well as non-beneficiaries the villages or cluster of villages covered by the selected schemes were taken as a unit of selection.

The objective of this paper is to examine whether the benefits of the NREP schemes were received by the deserving poor people and also to see whether employment potentiality and income is adequate for the removal of unemployment and poverty. The study also aimed at examining the durability and usefulness of assets and infrastructure created under the programme.

Major Findings

Land resources has a vital role in the determination of rural economic condition. The economic and social structure of rural areas are considerably influenced by the land holding and ownership. However, operational holding is more meaningful in the sense that it has a direct bearing on the income level. It was found that the pattern of operational holding was very much uneven as revealed by the data presented in Table 5.1. In Lakhimpur District out of 90 selected NREP beneficiary households, 12 households were landless and the average operational holdings of 78 households varied between 0.31 hectare to 3.35 hectare giving an overall average of 1.79 hectare. Similarly for Jorhat District, 21 beneficiary households were landless and for the rest 69 households the average operational holding varied between 0.32 hectare to 2.47 hectare with an overall average of 0.93 hectare.

Table 5.1: Selected Beneficiary Households and Area Under Operation by Farm Size-group

Farm Size (In hect.)	Lakhimpur District		Jorhat District	
	Household	Area	Household	Area
Landless	12	-	21	-
Below 0.5	8	2.49 (0.31)	25	7.89 (0.32)
0.5 - 1.0	14	10.93 (0.78)	17	12.13 (0.71)
1.0 - 2.0	31	42.70 (1.38)	21	29.26 (1.39)
2.0 & above	25	83.64	6	14.85 (2.47)
Total :	90	139.76 (1.79)	90	64.13 (0.93)

Note : Figures within brackets indicate average operational holding in respective size group .

The distribution of operational holding indicates that the economic condition of the selected households in Lakhimpur district is better than that of Jorhat District.

In rural areas, majority of families derive their income from agriculture and allied sources. The individual families (prior to joining the NREP) were stratified according to total annual income and presented in Table 5.2. The income structure of households was widely uneven, the average per household income for the sample in

Table 5.2 : Distribution of Beneficiary Households by Income Groups

Income Group (in Rs.)	Lakhimpur District		Jorhat District	
	Household	Income	Household	Income
0	1	2	3	4
Below Rs.1,000	1 (1.11)	971 (971)	2 (2.22)	1,650 (825)
1,000 - 2,000	7 (7.78)	11,230 (1,604)	3 (3.33)	5,556 (1,852)
2000 - 3000	12 (13.33)	29,160 (2,430)	21 (23.33)	50,030 (2,382)
3000 - 4000	7 (7.78)	26,003 (3,715)	21 (23.33)	72,237 (3,440)
4,000 - 5000	14 (15.56)	62,265 (4,448)	8 (8.90)	34,951 (4,369)
5000, & above	49 (54.44)	5,44,501 (11,112)	35 (38.39)	2,63,758 (7,536)
Total	90 (100.00)	6,74,130 (7,490)	90 (100.00)	4,28,182 (4,758)

Note : Figures within brackets under col.1 and 3 indicate percentages of households in different income groups and under col.2 and 4 give average per household income.

Lakhimpur district varied from Rs. 971.00 to Rs. 11,112.00 with an overall average of Rs. 7,490.00 while in Jorhat district the average income per households varied from Rs. 825.00 to Rs. 7,536.00 and the overall average was Rs. 4,758.00.

Total household income from all sources may be treated as one of the acceptable criterion of determining poverty level. In 1979, the poverty line was set by the Government of India at an annual income of Rs. 3,500.00 for a family of five persons¹ But this income level of Rs. 3,500.00 per family cannot be accepted for the rural areas of Assam in current years for three reasons, viz. (1) compared to all India the consumer prices in Assam was estimated to be higher by 20 per cent,² (2) the overall price index has increased many fold during the span of about 6 years, and (3) the average number of persons per occupied house in rural areas of Assam was 6.03 in 1971, which might have increased during the last 15 years. Considering all these aspects an annual income of Rs. 5,000.00 may be considered essential just to meet the barest minimum for an average family of about 6 members, or in other words this limit may be considered as a poverty line.

Table 5.2 shows that in Jorhat district about 61.11 per cent of beneficiary families had income below Rs. 5,000.00, i.e. the bare minimum taken as the poverty line for the study. Total population in these bottom strata of households was 39.12 per cent and 56.45 per cent of the total population covered in Lakhimpur and Jorhat sample respectively. For both the districts this was worked out at 47.18 per cent. The majority of people below the income level of Rs. 5,000 are landless agricultural labourers, small and marginal farmers. Up-to-date relevant data for the state are not available. However, the rural population below the poverty line in Assam in 1977-1978 was estimated at 52.6 per cent.³

It may be mentioned here that from the selected households of Lakhimpur district, about 48.42 per cent and from Jorhat district 58.76 per cent to NREP workers were from income level of below Rs. 5,000.00. The workers from the income level of Rs. 5,000.00 and above (51.58% in Lakhimpur and 41.24% in Jorhat district) should not have been selected in the initial stage. Participation of some students and child workers (below 15 years of age 7.37% in Lakhimpur and 1.03% in Jorhat district) in NREP works were also reported. This indicates that the identification and selection of workers was not proper as per norms of the programme.

Table 5.3 : Average Mandays and Income per Worker from NREP Sources by Income Groups

Groups	Lakhimpur District			Jorhat District		
	Mandays	Income (Rs)	Percentage	Mandays	Income (Rs)	Percentage
Below 1000	7 (7.00)	63 (63.00)	0.18	199 (99.50)	1791 (895.50)	3.18
1000 - 2000	40 (57.71)	3,814 (544.86)	11.19	57 (19.01)	563 (187.67)	1.00
2000 - 3000	336 (25.85)	3,451 (265.46)	10.12	1,434 (65.18)	15,054 (684.27)	21.69
3000 - 4000	240 (34.28)	2,250 (321.43)	6.60	1,198 (54.45)	10,430 (474.09)	18.49
4000 - 5000	760 (42.22)	7,665 (425.83)	22.48	260 (33.25)	2,195 (274.37)	3.89
5000 and above	1,783 (36.41)	16,853 (343.94)	49.43	1,955 (48.87)	26,366 (659.15)	46.75
Total	3,530 (37.16)	34,096 (358.90)	100.00	5,109 (52.67)	56,399 (581.43)	100.00

Note : Figures with brackets show the average mandays and income per worker in respective columns.

The average mandays worked per selected worker in the NREP scheme and the average income earned per worker are indicated in Table 5.3. It was found that the average mandays per worker in Lakhimpur district varied from 7 to 57.71 and income thereof from Rs. 63.00 to Rs. 544.86 and the overall average was worked out to be 37.16 mandays and an income of Rs. 358.90 per worker. In Jorhat district the average mandays per worker varied from 19.00 to 99.50 mandays and the average income varied from Rs. 187.67 to Rs. 684.27 leaving an overall average of 52.67 mandays and income of Rs. 582.43 from the NREP sources. It was observed that the higher income groups of people derived maximum benefits due to higher participation of workers. The scheme is meant for the poorest of the poor but in reality a greater share went to the higher income groups due to faulty implementation of the programme.

It was found that an additional income of only 4.81 per cent was generated in case of selected beneficiary households of Lakhimpur district, while in Jorhat district the respective figure was worked out at 11.64 per cent. The variation of additional income from NREP sources to total income are worked out by income class and presented in Table 5.4. The impact of the programme on employment and income was found to be marginal.

Now the question is with this meagre employment opportunity and income, would it be possible to solve the problem of unemployment and poverty ? The reply would certainly be 'no'. The level of unemployment and poverty has not reduced significantly. The opinion of the beneficiaries in this regard gives a very dismal picture. The wage rate fixed and offered to the NREP work reported to be much lower than the local wage rate in the study area, was not attractive to the participants. They took part in the programme only when they had no alternative. The programme was neither found to be hopeful nor meaningful for the rural poor.

The schemes selected for the study included 7 link roads, 3 school buildings, one community fishery tank and one bazar shed. All these schemes were reported to have been completed. But at the field level it was observed that neither the road projects were completed in all respect nor was the P.W.D. standard and specification maintained for which the concerned department is not taking over the assets for maintenance. The school buildings completed have been utilised

Table 5.4 : Proportion of Additional Income from NREP Sources to Total Income by Income Groups

Income Groups (Rs.)	Lakhimpur District				Jorhat District			
	Total gross Income from other Sources	Income from NREP Source	Total Income	Percentage of Income from NREP	Total Gross Income from Other Sources	Income from NREP Source	Total Income	Percentage of Income from NREP
Below 1000	971	63	1,034	6.09	1,650	1,791	3,441	52.05
1000-2000	11,230	3,814	15,044	25.35	5,556	563	6,119	9.20
2000-3000	29,160	3,451	32,611	10.58	50,030	15,054	65,084	23.13
3000-4000	26,003	2,250	28,253	7.96	72,237	10,430	82,667	12.62
4000-5000	62,265	7,665	69,930	10.96	34,951	2,195	37,146	5.91
5000 & above	5,44,501	16,853	5,61,354	3.00	2,63,758	26,866	2,90,124	9.09
Total	6,74,130	34,096	7,08,226	4.81	4,28,182	56,390	4,84,581	11.64

fruitfully. The fishery tank and the bazar sheds were completed two years back but not utilised for the purposes till the time of field investigation.

It is opined by the technical officials of the concerned departments that with usual the maintenance and repairing the assets created under the NREP may continue for an indefinite period. But if gravelling work of the roads was not done and the culverts not constructed, the P.W.D. department is not likely to take over for maintenance. Thus the investment made for the creation of the rural infrastructure will be lost.

Conclusion

Under NREP, investment is made mainly on construction work for community services thereby creating employment for the unemployed and underemployed as 'relief measure'. This would not provide long term employment and hence there is need to evolve productive investment strategy in order to ensure continuous employment opportunities for the needy rural poor. The shelf of projects prepared by the DRDA has not taken into account any productive scheme. It is afraid that the present trend to NREP schemes may not serve the basic objectives and hence such a well meaning national programme may be proved as a damp squib, mainly due to lack of proper planning and implementation.

It seems that the problems of rural development has been discussed in all quarters and platforms and it has spread like a common cold to all corners. Every body claims to know the problems of rural masses clearly. But it is felt that the complexities of the rural problems are discussed only with superficial assumptions and without having reliable and up-to-date data for the rural areas. Therefore, the planners, policy makers for rural development could not draw suitable plans and policies which will have direct bearing for solving the problem of unemployment and poverty. Our survey revealed that due to lack of authentic bench-mark data, neither selection and identification of target group of people was proper nor need based suitable programmes could be drawn in the shelf of projects which would provide continuous employment to the target group of people. It is felt essential that the whole process requires reorientation in its basic

premise and the national programme like NREP must be viewed in terms of 'employment multiplier' while preparing the action plan.

It is also considered essential to probe deeply into the problems of rural unemployment and poverty in each distinct unit of area. For this there is necessity to make an indepth study on the rampant of poverty at different levels of rural society, if the Government is serious at all to make a real dent on the problem of rural unemployment and poverty. Firstly, there should be a clear understanding regarding the magnitude of the problems of various economic group of rural people and the factors responsible for creation of such problems. Secondly, it is essential to collect the data on the skill profile of the rural masses to evolve suitable strategy and manpower policy for providing continuous employment for the different category of people at private and public sector. Thirdly, there is a need to conduct a techno-economic and potentiality survey of agro-based, forest resource based rural industries and handicrafts considering the marketing facility. Fourthly, suitable strategy and programme should be evolved considering the genuineness of the need of the rural people which will ensure them employment and means of livelihood. Continuous research programme needs to be undertaken which will highlight the rural economic condition and rural change. There should also be periodic evaluation of the rural development programme and its feed-back is expected to be helpful to re-orient the action plan for a lasting and meaningful solution.

References

1. Rural Poverty by Katar Singh, "The Economic Times", May 24, 1985.
2. Draft outline, "Fifth Five Year Plan, Assam", Vol.III, (Appendix), Planning and Development Department, Government of Assam, June 1973, p. 1.
3. Sixth Five Year Plan, Government of India.