CHAPTER – III

PERFORMANCE OF EGS IN MAHARASHTRA

3.1 Introduction:

“Regular employment at a living wage is the dream and the first demand of the poor in our country. A majority of the poor in India continue to live in rural areas and depend on wage labour for their survival. Guaranteeing the right to work calls for an EGA, whereby the Government is legally bound to provide work to all those who are able bodied. This would enable people not only to feed themselves and their families, but also to achieve a minimum standard of living. This is not a Utopian idea. Indeed, the state of Maharashtra passed an EGA as early as 1979. Since then, it has been provided employment to rural people every year under the EGS”.¹ “This EGA is the most significant legislation of our times in many ways. For the first time, rural communities have been given not just a development programme but a regime of rights. This Act will also unlock the potential of the rural poor to contribute to the reconstruction of their environment. The NREGA gives hope to those who had all but lost their hope. It has a clear focus on the poorest of the poor. It seeks to reach out to those in need of livelihood security. The NREGA gives employment, gives income, gives a livelihood, and it gives a chance to live a life of self-respect and dignity.”² (Dr. Singh)

3.2 Profile of Maharashtra:

Map No. 3.1 : Maharashtra State

¹ www.rightfoodindia.org/data/wsfrtw.pdf
² Prime Minister Dr. Manmohan Singh at the time of Launching of the NREGA
“Maharashtra occupies the western and central part of the country and has a long coastline stretching nearly 720 kilometers along the Arabian Sea. Ranges of Sahyadri Mountain provide a physical backbone to the State on the west, while the Satpuda hills along the north and Bhamragad-Gadchiroli-Gaikhuri ranges on the east serve as natural borders. Maharashtra is the second largest state in India both in terms of population and geographical area (3.08 lakhs sq. km.). The State has a population of around 10 crores (2001 Census) which is 9.4 per cent of the total population of India. The population of the State is expected to reach 11.5 crores by 2011. The State is highly urbanised with 42 per cent people residing in urban areas.

The State has 35 districts which are divided into six revenue division viz. Konkan, Pune, Nashik, Aurangabad, Amravati and Nagpur for administrative purposes. The State has a long tradition of having statutory bodies for planning at the district. For local self-governance in rural areas, there are 33 Zilla Parishads, 355 Panchayat Samitis and 27,993 GPs. The urban areas are governed through 23 Municipal Corporations, 222 Municipal Councils, 4 Nagar Panchayats and 7 Cantonment Boards.

Mumbai, the capital of Maharashtra and the financial capital of India, houses the headquarters of most of the major corporates & financial institutions. India’s main stock exchanges & capital market and commodity exchanges are located in Mumbai. The Gross State Domestic Product (GSDP) at current prices for 2009-10 is estimated at ` 9,01,330 crores and contributes about 14.7 per cent of the GDP. The GSDP has been growing at a rapid pace over the last few years. The State boasts of a very vibrant industrial and services sector. Both these sectors presently contribute about 89 per cent of the State’s domestic product. The agriculture & allied activities sector contributes 11 per cent to the State’s income.

The State has 224.5 lakh hectares of land under cultivation. Forests cover of 52.1 lakh hectares. Number of irrigation projects is being implemented to improve irrigation. A watershed mission has been launched to ensure soil and water conservation measures are implemented speedily in the unirrigated area. The State has made rapid strides in the production of cash crops like sugarcane, soyabean, cotton, oilseeds, and onions. The last few years have seen a healthy shift towards horticulture crops. The State is well known for its Alphonso mangoes, grapes, bananas, pomegranates and oranges. Animal husbandry is an important agriculture related activity and has 7.8 per cent share in agriculture & allied activities sector. The State’s share of livestock and poultry population in India is 6.8 per cent and 9.9 per cent respectively The Maharashtra is the most industrialized state. The State is pioneer in
small scale industries. The State continues to attract industrial investments from both, domestic as well as foreign institutions. It has become a leading automobile production hub and a major IT growth centre. It boasts of the largest number of special export promotion zones. The State is becoming one of the leading wine producing areas in India. At present, out of 38 wineries in India, 36 wineries are functioning in the State. The wine production in India is 6.2 million litre of which 5.4 million litre (87 per cent) is produced in Maharashtra.

The State has given importance to primary education, which has resulted in consistent improvement in literacy rate. The literacy rate of the State is 76.9 per cent as against 65 per cent at national level as per Census 2001. The State has excellent higher educational institutions in the fields of engineering, medical and management. The State has well spread road network of 2.87 lakh kilometers. All weather roads connect about 97.5 per cent villages. It has best surface transport facilities and connectivity with sea ports and airports has resulted into good transport system. It has highest installed capacity and generation of electricity in the country. All this has made this state the most favoured destination for investment. The State is well known for its administrative acumen and innovative ideas. The State is first to implement woman’s policy and engendering the budget by establishing separate Woman & Child Development Department. It is pioneer in implementing its EGS which is replicated by the GOI.

Maharashtra is not just a geographical expression but an entity built on collective efforts of its people. Natural as well as cultural diversities have helped in the development of a unique Marathi culture. It has its own spiritual dimensions and known as Land of Saints. Saints of that time helped the cultural awakening of the region along with their spiritual contribution. Monuments such as Ajanta, Ellora and Elephanta caves, Gateway of India and architectural structures like Viharas and Chaityas have attracted people from all over the world. Besides the wonderful monuments, segment mix of population and its cultural aspects makes it intra-national. It has produced many important personalities covering almost every aspect of human development. The State has sizable contribution in sports, arts, literature and social services. The world famous film industry, popularly called ‘Bollywood’ is located in the State."3

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3.3 Profile of EGS:

Under Article 41 of the constitution of India there is a directive principle which refers to the right of her citizens to work. The EGS, began in 1972 the Maharashtra state Government, is a recognition of the citizen’s ‘right to work’. In a country with as large a population as India and with pervasive conditions of poverty and of unemployment and underemployment, a programme that sets out to guarantee employment to the citizen is of great interest. The genesis if EGS, lies in certain experiments initiated as early as 1964-65 to design a strategy on employment to small farmers, landless labours and anticancer. Since 1969, government of Maharashtra had undertaken a pilot scheme for an Integrated Area Development Programme (IADP) in Visapur Tasgaon taluka in Sangli district to test the possibility of providing productive employment opportunities, to increase the income of rural poor, particularly landless labours, small and marginal farmers. This scheme is known as the ‘Page Scheme’.

The EGS first appeared as an election promise; made during a period of drought in 1970-71 by the ruling state congress party. The EGS was launched by a unanimous resolution of the state that there is an intention to introduce legislation later. Until then the guarantee offered by the EGS remains non judiciale. The EGS had hardly begun before it was engulfed in the large relief operation launched to handle the 1972-73 droughts. The rules provide for suspension of the scheme in drought affected areas whenever relief works are undertaken under the state’s famine relief code.

3.4 Objectives of EGS:

The principle aim of the EGS is to provide gainful and productive employment to the people in the rural areas and in the areas of ‘C’ class Municipal councils, who are in need of work and are prepared to do manual labour but cannot find it on their own. The employment has to be gainful to the individual and productive to the economy of the states. The guarantee to provide work has been restricted to unskilled manual work. The fundamental objective of the scheme is that on completion of the works undertaken, some durable community assets should be generated and that the wages paid to the workers should be linked with the quantity of work done.

“The employment Guarantee scheme was designed to achieve the following objectives-
1) To provide a profitable and productive work to all unskilled persons in a rural area.

2) To provide work for every one, who demands it and wages according to work.

3) To undertake such type of work which produces durable community assets in area of integrated.

4) To provided profitable and productive employment to all able persons.

5) To provide the work within 15 days of the receipt of notice of demand for work.

6) To ensure that the labour is deployed to the extent possible one existing construction activities in the area, and agricultural operations are not adversely affected.

7) To have the wages linked with quality and quantity of output of work.

8) To design the scheme based on blue prints of productive works, which could create community assets, prepared for each panchayat samiti.

9) To finance the scheme through a separate fund called employment guarantee fund.

10) To undertaken the works having the cost of unskilled element of more than 60% of the cost to be invariable executed departmentally.

11) To plan for the identification of EGS works into scrotal plans as well as with local district plans, release and utilization of funds, progress reporting and review.

3.5 EGS Act:

"With a view to alleviating poverty by providing gainful employment to the poorer sections of the community in rural areas as well as ‘C’ class Municipal Councils in the state, the EGS was started in the year 1972. The state Government has given the statutory support to the guarantee of employment through the enactment of the MEGA – 1977, which has been brought in to force from 26th January 1979.

**Salient Features of the Act – 1979**

1) Main purpose of the scheme mitigate drought situation prevent migration.

2) To provide employment 365 days in financial year to each applied.

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3) All adult person residing in villages and ‘C’ class Municipale council areas are covered under this programme. However, a person who is more than 15 years old but less than 18 years can also be given employment under this scheme if there is no earning member in the family.

4) The guarantee is given at the district level. The person demanding the work has no choice of particular work. The guarantee is to provide work anywhere in the district, though operationally works, are normally provide within the panchayat samiti area. If the work is not available within the radius of 8 km. where the employment seeker lives, then work is provided beyond 8 km. from his residence anywhere in the district, with necessary camping arrangements and traveling expenses (once while going to the work and again after completion of work or closure of work, for returning to residence).

5) The works are implemented through the Government Departments, like irrigation, public works, agriculture, water conservation, forest, and zilla parishads (referred to as implementing agencies).

6) Employment seeker has to get his name registered under this scheme with the Registering Authority of the village Talathi or Gramsevak by filling from No.1 prescribed under rules. Thereafter he/she has to ask for employment under EGS from samiti officer (Tahsildar) or from Registering Authority in the concerned village by filling from No.4 the samiti officer has to provide work under the scheme within 15 days after the receipt of application in form No.4 “demand for work”. The employment seeker is required to declare that he will work for a continuous. Period of at least 30 days on the work to which the samiti officer has directed. The samiti officer directs the employment seeker to the implementing agency of the work by giving the employment seeker directive in form No.7. The implementing agency has to employ the person on the work, if the person presents himself on work within 7 days of the receipt of the letter issued by the samiti officer. Failure to provide employment creates the liability on the state for payment of unemployment allowance at the rate of Rs. 2 per day.

7) Only productive works are permitted under the scheme. With a view to minimize the recurrence of drought in the state, it has been prescribed that moisture conservation and water conservation works should be given priority. Accordingly, priority of works is fixed as follows –

a) Moisture and water conservation labour intensive components of major and medium irrigation projects, canal works, state and local sector minor irrigation, percolation and village tanks and underground bankers.
b) Soil conservation and land development words.

c) Afforestation.

d) Road works both plan & Non-plan.

e) Integrated Watershed Development Programme.

8) The works which have unskilled wage component of more than 60 percent of the total cost of work are permitted under the EGS. For road and tank works this percentage is required to 51 percent.

9) The works are invariably executed departmentally by engaging labourers on muster rolls. The labourers are however, not paid according to the number of days they remain present on the work but are paid according to the quantity of work done on the basis of rates fixed for different items of work. These rates for different items are so fixed that an average person working diligently for 7 hours a day, should earn wage equal to the minimum wage prescribed for agriculture labour for the concerned zone viz. Zone I-Rs.51, zone II Rs.49, Zone III Rs. 47, Zone IV Rs.45, per day. Under the minimum wage Act.

10) Ex-gratia payment up to Rs-10000 is admissible in case of death or disablement of a worker on the work.

11) Welfare amenities are provided to the workers such as drinking water, crèches, rest shade, first aid facilities, etc."

### NREGS in India – 2005

The NREGA 2005 was passed unanimously in the Lok Sabha on 23 August, 2005. The NREGA is poised to bring cheers to the lives of millions of rural poor with the inclusion of new works under its ambit and the convergence with other flagship programs. Efforts are on to bring in more transparency and accountability in it with district level ombudsmen being envisaged to ensure that the benefits reach out to the poor and the needy villagers. The basic features of the NREGA 2005 guarantees 100 days of Employment in a financial year to any rural household whose adult members are willing to do unskilled manual work. Launched on 2nd February, 2006 from the Anapatpur district of Andhra Pradesh in 200 districts of the country NREGA, 1st April, 2008 the flagship schemes of the Government have been expanded to cover all the 614 districts across the country.

The idea is to give a legal guarantee of employment to anyone who is willing to do casual manual labour at the statutory minimum wage. Any adult who applies for work under the Act is entitled to being employed on public works without delay. Thus, an EGA provides a universal and enforceable legal right to the most basic form of employment. It is a step towards legal enforcement of the right to work, as an aspect of the fundamental right to live with dignity. ‘An Act provides a legal guarantee of employment. This place a judicially enforceable obligation on the state, and gives bargaining power to the labours. It creates accountability. By contrast, a scheme does not involve any legal entitlements, and leaves labours at the mercy of government officials. There have been numerous employment schemes in the past. The EAS, National Food for Work Programme (NFFWP), among others. Most of them have failed to bring any security in people’s lives. Often people are not even aware of them. There is another important difference between a scheme and an Act. Scheme comes and goes, but laws are more durable. A scheme can be trimmed or even cancelled by a bureaucrat, whereas changing a law requires an amendment in parliament. Under the EGA, labours will have durable legal entitlements. Over time, they are likely to become aware of their rights, and to learn how to claim their due. To start with, an effective EGA would help to product rural households from poverty and hunger. One hundred dyes of guaranteed employment at the minimum wage is not a great privilege, but for those who live on the margin of subsistence, it can make a big difference. Secondly, the Act is likely to lead to a substantial reduction of rural-urban migration. If work is available in the village, many families will stay in place instead of heading for the cities. Thirdly, guaranteed employment can be a major source of empowerment for women. Based on past experience, women are likely to account for a large proportion of labours employed under the Act, and guaranteed employment will give them some economic independence. Fourthly, the EGA is an opportunity to create useful assets in rural areas. For instance, there is plenty of scope for building productive water-harvesting structures through labour-intensive methods. Fifthly, guaranteed employment is likely to change power equations in the rural society, and to foster a more equitable social order. Last but not least, the EGA is a means of strengthening the bargaining power of unorganized workers. This is turn, could help them to struggle for other important entitlements, such as minimum wages and social security. The process of mobilizing for effective implementation of the Act also has much value in itself. It is a unique opportunity for ‘unorganized workers’ to organize, which could give a new rise a life to the labour movement in large parts of India.
Salient Features of the NREGS ACT – 2005

“1)  Main purpose of the scheme alleviates unemployment & poverty.

2)  To provided employment 100 days in financial year to rural family.

3)  Adult members of a rural household, willing to do unskilled manual work, may apply for registration in writing or orally to the local Gram Panchayat.

4)  The Gram Panchayat after due verification will issue a Job Card. The Job card will bear the Photograph of all adult members of the household willing to work under NREGA and is free of cost.

5)  The Job card should be issued within 15 days of application.

6)  A Job holder may submit a written application for employment to the Gram Panchayat, stating the time and duration for which work is sought. The minimum days of employment have to be at least fourteen.

7)  The Gram Panchayat will issue a dated receipt of the written application for employment against which the guarantee of providing employment within 15 days operates.

8)  Employment will be given within 15 days of application for work, if it is not than daily unemployment allowance as per the Act, has to be paid liability of payment of unemployment allowance is of the states.

9)  Work should ordinary be provided within 5 km radius of the village, In case work is provided beyond 5 km.

10)  Wages are to be paid according to the Minimum wages Act 1948 for agricultural labours in the state, unless the centre notified a wage rate which will not be less than Rs. 60/ per day. Equal wages will be provided to both men and women.

11)  Wages are to be paid according to piece rate or daily rate. Disbursement of wages has to be done on weekly basis and not beyond a forthright in any case.

12)  At least one-third beneficiaries shall be women who have registered an requested work under the scheme.

13)  Work site facilities such as creche, drinking water, shade have to be provided.

14)  The shelf of projects for a village will be recommended by the gram sabha and approved by the Zilla Panchayat.

15)  At least 50% of works will be allotted to GPs for execution.

16)  Permissible works predominantly include water and soil conservation, a forestation and land development works.
17) A 60:40 wage and material ratio has to be maintained. No contractors and machinery is allowed.
18) The Central Government bears the 100 percent wage cost of unskilled manual labour and 75 percent of the material cost including the wage of skilled and semi skilled workers.
19) Social Audit has to be done by the Gram Sabha.
20) Grievance redressal mechanisms have to be put in place for ensuring a responsive implementation process.
21) All accounts and records relating to the scheme should be available for public scrutiny.”

NREGS in Maharashtra

“The scheme owes its origin to the commitment of concerned citizens for reducing distresses of the poor and political mobilization around this issue. MEGS in Maharashtra to a committee called the Dushkal Nivaran and Nirmoolan samiti formed in 1971 by concerned citizens including Page and Dandekar, activist groups and opposition parties. The committee served as a platform for life minded individuals to come together to discuss issues affecting the states. It evolved from a common agenda to fight drought and supported organizations that mobilized the rural poor and demanded the initiation of an employment generation scheme. It was initially called the page scheme after V. S. Page who put the scheme through the legislature. Form initial experiments in Tasgaon block of Sangli district in 1965, it was extended to II districts in November 1970 and then to the entire state in May 1972. It was superseded by Crash rural employment scheme for the next two years due to severe drought before being resumed again in 1974.

The Central thrust of the five-year Eleventh plan of the government of India is ‘faster and more inclusive growth’ and its strategy is ‘accelerated growth’ combined with a ‘steady expansion in schemes aimed at supporting incomes and welfare of the poorer sections. Since 2nd Feb, 2008, initially it was implemented in few districts of state. Now this scheme is implemented in all districts of the state excluding Mumbai city and Mumbai suburban District as MREGS which is the integrated rural employment programme MREGS is the combination of NREGS and old EGS which was exclusively implemented by Government of Maharashtra. In MREGS guarantee

of providing employment of 365 days in financial year per household is given, out of which up to 100 days employment is given under NREGS. The expenditure incurred for the employment generation exceeding 100 days being made from old EGS. 2nd February 2006, in first stage this scheme was implemented in 27 states including 200 districts and in the case of Maharashtra 12 districts. In the 2nd stage another 6 districts and 3rd stage 15 districts have included from Maharashtra. There were 614 districts all over the Nation in from 1st April 2008. Since 2nd Oct, 2009 NREGS changed into MGNREGS.

Salient features of the MREGS Act – 2006

1) To provide work first 100 days from Central Government & remained days are provided State Government.
2) To provide gainful and productive employment to those in need of work and who are prepared to do unskilled manual labour but cannot find work on their own, to create durable community assets for longer term development.
3) All adults in villages and ‘C’ Class towns.
4) Thirty three out of 35 districts of Maharashtra (excluding Mumbai city District and Mumbai suburban District).
5) All adult women equally entitled to demand work as are all adult men.
6) Days taken for payment as per design-15 days.
7) Worksite facilities – Drinking water facilities, shelter for rest at the time of interval, first aid box, crèches, shelter and midwife to look after the children of labours, wired goggles for stone crushing labours.
8) Unemployment allowance- failure to provide employment within 15 days of receipt of demand leads to payment of unemployment allowance at the rate of wages 25 per cent provided by Central Government & after 30 days provided 50 per cent from State Government.
9) Adult members of a house-hold registration in Gram Panchayat identity card validity is 5 years
10) Measurements for payment – By technically qualified persons as per schedule of rates so fixed that a person working for seven hours would normally earn a wage equal to the wage rate.”7

## Comparatively Study EGS, NREGS & MREGS

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3.6 Summary:

We observed that, EGS Act-1979 is helpful to people. In NREGA-2005, have some limitations, MREGS-2006 dependent on NREGA, this act made by state Government. Though modeled on the EGS of Maharashtra, there are certain gray areas in MREGS as compared EGS and NREGS. Certain points make MREGS is more powerful than EGS and NREGS: It is best side of provided employment more than 100 days, social-audit. There is good facility on the place of work site besides particularly women’s get good facility, EGS have changed step by step from 1972-73 to 2009-10.
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