CHAPTER - III

THE SALIENT FEATURES AND FUNCTIONING OF THE "FOOD-FOR-
WORK PROGRAMME" IN INDIA - A REVIEW
Economic development in India during the last three decades has enabled a perceptible increase in the per capita income from Rs. 466 in 1950-51 to Rs. 730 in 1978-79, both at 1970-71 prices.¹ Inspite of this increase, the incidence of poverty in the country is still very high. So, determined measures are necessary to combat poverty. A substantial increase in the overall rate of growth of the economy will no doubt create favourable conditions for a reduction in poverty and unemployment. Likewise, poverty should certainly be reduced by implementing some programmes. The objectives of the programmes will be to improve the productivity and therefore income of the poor and also to ensure that employment opportunities are enlarged at a fast enough pace. These programmes are essential in rural areas. A majority of the poor live in rural areas, and belong to the categories of landless labourers, small and marginal farmers, rural artisans including fishermen, and backward classes and backward tribes.

These programmes implemented in rural areas are as follows:

- The food for work programme
- National Rural Employment Programme
- Rural Landless Employment Guarantee Programme.

These programmes will create job opportunities for rural areas.

Eradication of poverty and unemployment have been the major goals of planning in India. The programmes like, Small Farmer Development Agency (SFDA), Marginal Farmer Agricultural Labour (MFAL) Programme, Drought Prone Area Programme (DPAP) and Antyodaya aimed at creating employment and livelihood opportunities to the weaker sections of the community in particular. One of such rural oriented programmes is the "Food-for-Work Programme" which aims at elimination of hunger and unemployment and creation of community assets in the rural areas.

The Government of India launched in April 1977, a nation wide "Food for work Programme" to enlarge the employment opportunities to the poorer sections of the community living in the rural areas. The programme was executed by the Union Ministry of Rural Reconstruction. The programme Evaluation Organisation (PEO) of the Planning Commission undertook in July 1979, an evaluation study of the "Food for work Programme" in order to under-
stand the working and assess the impact of the programme. Accordingly, the study was initiated in August, 1979 and was carried out in 10 states where utilisation of foodgrains during 1978-79 was substantial.

The scheme aims at "directly benefitting the persons in the rural areas who live below the poverty line by providing them opportunities of employment and raising their incomes and nutritional levels."²

**Experiences of other countries:**

"Food for Work Programme" with similar objectives was initiated by the U.S. Agency for International Development in almost all the Less Developed Countries (LDC). The programme was implemented in Egypt, Bangladesh, Pakistan, Indonesia, Peru, Dominican Republic, Morocco, Kenya, Senegal, Sri Lanka, etc. It was also taken up in Sri Lanka and Philippines on a small scale basis. Excepting in Bangladesh, the programme however was not evaluated anywhere so far.

The United Nations' World Food Programme (WFP) was established on an experimental basis in 1963 jointly by

the United Nations and Food and Agriculture Organisation. The basic aim was to provide food and animal feed on a grant basis to the Governments of the developing countries in order to assist them in implementing projects for economic and social development and in meeting emergency situations arising from natural or man-made disasters.

In 1965, it was decided, on the basis of the progress achieved, that the programme may be established on a regular and continuing basis for as long as multilateral aid was found to be feasible and desirable. The kind of projects aided by the programme include:

a) the feeding of expectant and nursing mothers and school children
b) resettlement of groups and communities
c) land development
d) soil conservation
e) forestry
f) feeding of livestock
g) dairy development
h) road construction and
i) the expansion of industrial productivity

The commodities which the WFP could provide included cereals i.e. wheat, flour, maize, bajra wheat and sorghum; protein rich foods, such as milk, meat, cheese, fish pulses, wheat, soya blend, soy-fortified bulgar wheat, soy-fortified sorghum grits, corn soy milk and corn soya blend. The programme also envisaged supply of
edible oils, tea and coffee. As far as possible, the aim was to provide the various beneficiaries with a balanced diet. The World Food Programme was supervised by the committee on Food Aid Policies and Programme (CFA), consisting of representatives of 30 countries - 15 elected by the United Nations Economic and Social Council (ECOSOC) and 15 by the FAO council. The CFA reports annually to these two bodies. The Government of India is presently a member of the CFA. One of the criteria for WFP aid to projects was that the recipient country should be able to continue such projects on termination of WFP.

The Programme in India:

Right to an adequate means of livelihood is enshrined as one of the Directive principles in the Indian constitution.

A scheme for utilisation of surplus foodgrains from the stocks of the central government was started in April 1977 for the purpose of generating additional employment on public works in the rural areas. It is being

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administered by the Department of Rural Development. The scheme envisages payment of wages in part or whole in the form of foodgrains.

The scope of the scheme has now been extended so as to cover on going plan and non-plan works - new items of capital works and works related to flood control.

**Basic objectives of the food for work programme:**

The scheme has got the following basic objectives:

1. To generate additional gainful employment to a large number of unemployed and under employed persons, both men and women, in the rural areas which will improve their incomes and consequently their nutritional levels.
2. To create durable community assets and strengthen the rural infrastructure, which will result in higher production and better living standard in the rural areas; and
3. Utilization of surplus foodgrains for development of human resources.

**The salient features of the modified schemes were as under:**

1. Foodgrains are to be made available to the State Governments/Union Territories free of cost for supplement-

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ing their budgetary provision for on going plan and non-
plan schemes being implemented by the State Government 
and taking up items of capital work as well as for the 
maintenance and repairs of public works.

(ii) The foodgrains are to be utilized for the payment of 
part or whole of the wages of the labour engaged in the 
execution of specified works taken up under the scheme;

(iii) Work projects under the scheme can be implemented 
throughout the year. Till the last year, the labour enga­
ged by contractors could also be paid through foodgrains 
made available under 'Food-for-work Programme', provided 
it was ensured that the contractors maintained proper 
accounts and did not misutilise foodgrains meant to be 
distributed to the labourers. However, it was decided that 
the distribution of foodgrains through contractors or 
middlemen, in whatever name they may be, should be stopped;

(iv) The State Governments/Union Territories are required 
to show additionality in their expenditure over and above 
the amount provided in their budget for the respective 
items to the extent of value of the foodgrains utilised, 
calculated at the prescribed rate.

(v) The State Governments/Union Territories have been given 
the discretion to entrust the execution of works under the 
scheme to voluntary organisation of report and standing;
(vi) Panchayat Raj institutions like Gram Panchayats, Panchayat Samithis and Zilla Parishads have been authorised to execute work under 'Food-for-work Programme'. Foodgrains up to 10 tonnes can be allotted to them for execution of work by the District Magistrates at their own levels and

(vii) Till almost end of 3rd quarter of 1978-79, only wheat was being supplied to the State Governments under the programme. The state governments have, however, now been given the choice to draw the entire quantity of good-grains released to them either in rice or wheat or both as they wish. It has also been decided to utilise coarse grains under the programme if the same have been procured by the State Governments as a price support measure and are available in stock with them.

Works which may be taken up under the programme:

1) Major, medium and minor irrigation works;
2) flood protection, drainage and anti-water logging works,
3) soil and water conservation; land reclamation,
4) afforestation and soil forestry works on government and community lands including lands belonging to local bodies like Panchayats etc., road side plantations, plantations along canal banks and on waste lands on sides of railway lines etc.
v) construction of intermediate and main drains, field channels, land levelling etc. in the command areas of irrigation projects, cleaning and desilting of water courses etc.

vi) Roads including State highways, widening and strengthening of forest roads and canal service roads for throwing them for public use;

vii) School buildings, Panchayat ghars, community centres, drinking water wells belonging to government and local bodies including panchayats or the community centres in rural areas provided provision for expenditure on such schemes is reflected in the state budget.

viii) Any other work not covered under the above items but which will result in creation of durable assets for the benefit of the rural poor, e.g. providing village pond or repairs, deepening and rejuvenation of an existing tank for providing water for human use or for cattle for developing irrigation or fisheries etc. thereby augmenting the income of the village panchayat which can be used for providing better sanitation or street lighting etc. in the villages, location specific works such as cleaning of irrigation reservoirs and channels and fishery tanks of water hyacinth and turning it into organic manures etc.
Extent of the scheme:

The programme is no longer restricted to maintenance and repair of public works only but extended to ongoing plan and non-plan schemes as well as to new items of capital works. The scheme has a very wide scope and is not restricted to any particular item of work. There is no longer any ceiling on allocation of foodgrains equivalent in money value to 30 per cent of the State Government's current level of expenditure on the maintenance of public works etc. as was the case in the original scheme. Creation of private or individual assets is however, not permissible under the scheme.

What is a durable community asset:

Any work which will benefit not an individual but either the community at large or a considerably large section of the community which deserves to be helped, and which will last for a few years at least will be a durable community asset.

Additionality of resource to the state:

Under this scheme, foodgrains would be made available to the State governments/Union Territories free of cost for supplementing their budgetary provisions for ongoing plan and non-plan schemes being implemented by them.
and for new items of capital works. The Union Department of Rural Development pays the cost of foodgrains to the Food Corporation of India in full and at standard rates. The State Governments do not have to pay anything for the foodgrains made available to them and as such, this is purely an additional resource to them over and above their budgetary allocation. In no case, however, the State Governments will be permitted to sell the foodgrains obtained under the scheme in the open market. Similarly, the contractors also will have to distribute the foodgrains strictly in accordance with the spirit of the scheme and disposing of the foodgrains by the contractors in the open market or to flour mills etc., is not permissible under any circumstances.

**How to meet the cash components:**

Apart from the foodgrains made available for execution of works to be taken up under 'Food-for-Work' programme, it requires cash component which has to be met by State/Union Territory Governments, as additional resources and the cash component on any work will have to be found by the State/Union Territory Governments or the local bodies themselves.

**Limitations on use of foodgrains:**

Foodgrains allocated should be utilised for the
payment of a part or whole of the wages of the labour engaged on the execution of specified works taken up under the scheme. There is no fixed ratio for payment of wages to labour in cash and kind.

Whether labour engaged by contractors can be paid their wages in kind:

The foodgrains made available under the scheme can also be utilised for payment of wages in kind to labour engaged by contractors provided it is ensured that the contractors maintain proper accounts and do not misuse or divert the foodgrains meant to be distributed to the workers.

Price of foodgrains for purpose of calculating additionality and wages for workers:

The value of foodgrains released to the State Government was charged by the Food Corporation of India to the Union Department of Rural Development at the current issue price of Rs.125/- per quintal (Rs.130/- Rs. per quintal with effect from 1-12-78) for wheat. In the case of rice the price to be paid by the Department of Rural Development was Rs.135/- per quintal for coarse (short bold) variety and Rs.150/- per quintal for medium (long bold) variety. The rate for calculating the additionality was Rs.115/- per quintal for coarse rice and Rs.134/- per quintal for medium (long bold) rice.
How the additionality is to be shown by the State Government:

The State/Union Territory Government had to show clearly that expenditure on existing plan and non-plan schemes, new items of capital works, and the maintenance of public works, as the case may be, as augmented to the extent of the amount of additional resource made available to them in the shape of foodgrains under the scheme calculated at Rs. 105/- per quintal (Rs. 110/- per quintal with effect from 1.12.78) for wheat and Rs. 115/- and Rs. 130/- per quintal for coarse (short bold) and medium (long bold) varieties of rice respectively.

Period of operation of the scheme:

According to the original scheme, there was a limitation of taking up works under it only during the lean period of four months in a year. This limitation was subsequently removed and there was no restriction regarding the period. In other words, the scheme could be implemented throughout the year.

Procedure for allocation of foodgrains and its issue by the Food Corporation of India:

The State governments should plan for their requirements for a full year on a realistic basis and indicate
the quantity they would require during the year. Instructions regarding the release of foodgrains were to be sent by telex or telegram whenever necessary. The Department of Food, Government of India, had to issue release instructions to FCI with a copy to state government concerned by telex immediately on receipt of the sanction order from the Department of Rural Development.

Steering Committee at the State and District levels:

In each State, there was a state level steering committee. The State Level Steering Committee was headed by the Chief Secretary or the Development Commissioner or any other senior Secretary. A representative of the Department of Rural Development, Government of India, and the Senior Regional Manager, FCI would also be members at the State Level Steering Committee.

Likewise, the District Steering Committee was headed by the District Magistrate/Collector which should include all the departmental heads concerned with the works taken up in the district under the programme. The senior most FCI Officer in the district should be a member. It should have a representative of Zilla Parishad or the District Panchayat. The voluntary agencies, if any, participating in the scheme, should also be represented. The main task of the steering committee should be to plan the works.
to be taken up under the scheme and see that the progress of these works was not allowed to suffer for any reason.

**Participation of voluntary organisations in the programme:**

The voluntary organisations of repute and standing may be entrusted by the state government with the execution of the works on the basis of the plan and the proposals furnished by them provided provision for such works exist in the state budget. It shall be necessary for the participating voluntary agency to select the area of operation, survey the local requirements and submit proposals duly verified by a qualified engineer or concerned subject matter specialist to the District Magistrate.

**Role of Panchayat Raj Institutions in the Programme:**

The village panchayats or the Gram Sabhas as well as the Block Panchayat Samithis or Taluk Panchayats may also be entrusted with the execution of the works under the 'Food-for-work Programme' on the specific request made by them. Such requests will be considered by the District Steering Committee which will ensure the technical back up of the proposal.
Organisational arrangements for efficient implementation of the scheme:

The District Planning Officer has been made responsible for administrative aspects of these works. The works falling under the purview of Department of Irrigation, P.W.D., Forest etc., are executed by the Departments concerned. At the State Headquarters also, an Executive Engineer was provided to look after the technical details of the proposals.

Monitoring for efficient implementation of the scheme:

The State Governments/Union Territories should make suitable arrangements for monitoring, which is necessary for efficient implementation of the scheme. The steering committee in the Districts should ensure monitoring of the various works taken up in the district.

Monthly Reports and Returns:

In order to enable the Government to determine the quantum of stocks of wheat to be made available to State/Union Territories Governments under the scheme, it is necessary that in the beginning of every year the information regarding existing provision in the State/Union Territories, Government budget for on-going plan and non-plan schemes, new items of capital works should be made ready.

The progress report will serve the needs of planning and administration of the scheme and will enable authori-
rities both at the centre and state levels to keep a close watch on the trends and to apply corrective steps.\(^5\)

The Evaluation study on "Food-for-Work Programme":

In July, 1979 the Programme Evaluation Organisation of the Planning Commission had carried on a quick evaluation study in ten states where utilisation of food-grains was considerable. The study was carried out in ten states namely Andhra Pradesh, Bihar, Gujarat, Haryana, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Uttar Pradesh and West Bengal.

The names of selected districts for evaluation are given in the following table.

**TABLE - 3.1.**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>State</th>
<th>District Good</th>
<th>District Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Andhra Pradesh</td>
<td>Medak</td>
<td>Guntur</td>
</tr>
<tr>
<td>2.</td>
<td>Bihar</td>
<td>Semastipur</td>
<td>Bhojpur</td>
</tr>
<tr>
<td>3.</td>
<td>Gujarat</td>
<td>Panchamahal</td>
<td>Amreli</td>
</tr>
<tr>
<td>4.</td>
<td>Haryana</td>
<td>Sonepat</td>
<td>Bhiwani</td>
</tr>
<tr>
<td>5.</td>
<td>Madhya Pradesh</td>
<td>Indore</td>
<td>Raisen</td>
</tr>
<tr>
<td>6.</td>
<td>Maharashtra</td>
<td>Bhandara</td>
<td>Nasik</td>
</tr>
<tr>
<td>7.</td>
<td>Orissa</td>
<td>Cuttack</td>
<td>Dhenkanel</td>
</tr>
<tr>
<td>8.</td>
<td>Rajasthan</td>
<td>Jaipur</td>
<td>Jodhpur</td>
</tr>
<tr>
<td>9.</td>
<td>Uttar Pradesh</td>
<td>Lekshimpurkheri</td>
<td>Bulandshahar</td>
</tr>
<tr>
<td>10.</td>
<td>West Bengal</td>
<td>Burdwan</td>
<td>Nadia</td>
</tr>
</tbody>
</table>


\(^5\) Food-for-Work Programme, A Guideline, Govt. of India, Ministry of Agriculture and Irrigation, Dept. of Rural Development.
The selection of the above districts was done in consultation with the State Governments.

In each of the selected districts, two blocks were selected where the programme was implemented quite intensively. From these blocks two villages were selected from each of the block. Eighty villages were thus selected. The maximum population of 5936 was found in the village Tigrar of district Bhiwani (Haryana) and the minimum population of 160 was found in the village Safipur of district Cuttack (Orissa). The total population of all the eighty selected villages was 1,61,887 of which 18.2 per cent were scheduled caste and 3.2 per cent were scheduled Tribes.

Ten beneficiaries were selected randomly from each of the selected villages for detailed canvassing. The selection of the beneficiaries was done by adopting sampling method by using the muster rolls which were made available by the authorities. Thus, the study was carried out in 10 selected states covering 20 districts, 40 blocks, 80 villages and 793 beneficiary households.6

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Types of Assets created: The following table shows the position of different types of assets created in the selected villages.

### TABLE - 3.2.

MANDAYS GENERATED AND EXPENDITURE INCURRED ON DIFFERENT TYPES OF WORKS

<table>
<thead>
<tr>
<th>Type of Assets</th>
<th>Mandays Generated</th>
<th>Expenditure incurred (value in Rs.)</th>
<th>Foodgrains</th>
<th>Cash</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>(Rs.)</td>
<td>(Rs.)</td>
<td>(Rs.)</td>
</tr>
<tr>
<td>1. Construction and repair of</td>
<td>2,28,733 (61.4)</td>
<td>8,53,220 (63.1)</td>
<td>4,98,949</td>
<td>(36.9)</td>
<td>(100.0)</td>
</tr>
<tr>
<td>village roads and streets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Minor irrigation works</td>
<td>75,337 (20.2)</td>
<td>2,02,084 (48.7)</td>
<td>2,12,709</td>
<td>(51.3)</td>
<td>(100.0)</td>
</tr>
<tr>
<td>3. Construction of community</td>
<td>23,617 (6.3)</td>
<td>1,87,874 (52.9)</td>
<td>1,66,973</td>
<td>(47.1)</td>
<td>(100.0)</td>
</tr>
<tr>
<td>works</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Drainage Programme</td>
<td>21,360 (5.7)</td>
<td>1,11,706 (8.5)</td>
<td>19,191</td>
<td>(1.5)</td>
<td>(100.0)</td>
</tr>
<tr>
<td>5. Soil conservation/forestry</td>
<td>3,341 (0.9)</td>
<td>11,008 (94.5)</td>
<td>536</td>
<td>(4.6)</td>
<td>(100.0)</td>
</tr>
<tr>
<td>6. Other works</td>
<td>20,139 (5.4)</td>
<td>79,720 (50.5)</td>
<td>78,208</td>
<td>(49.5)</td>
<td>(100.0)</td>
</tr>
<tr>
<td>All works</td>
<td>3,72,527 (100.0)</td>
<td>14,45,612 (59.7)</td>
<td>9,76,565</td>
<td>(40.3)</td>
<td>(100.0)</td>
</tr>
</tbody>
</table>

Figures in brackets are percentage to totals.

The works were taken up under the ongoing, new and maintenance schemes in almost all the districts. The total mandays generated in the selected villages were of the order of 3,72,527. The average number of mandays generated per village were of the order of 5,399. The total expenditure incurred in creating the community assets in the selected village was of the order of Rs. 24,22,177. The expenditure in kind was 50 per cent and cash 50 per cent. The most sought after programme was construction and repair of village roads and streets which generated 2,28,733 mandays in selected villages. Next in importance was minor irrigation programme, which generated 75,337 mandays. The third in importance was construction of community works like school buildings, dispensary buildings, panchayat ghera, etc. The construction of huts or repair of individual houses and levelling of house sites for the weaker sections of the society are not strictly community assets. It is, however, felt that this type of activity may be considered for inclusion in the programme.

**Village Roads and Streets**: The following table gives us the details about the expenditure incurred and the mandays generated under
<table>
<thead>
<tr>
<th>State</th>
<th>District</th>
<th>No. of mandays employed</th>
<th>Expenditure incurred</th>
<th>Food grains</th>
<th>Cash</th>
<th>Total worth (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>Guntur</td>
<td>4,913</td>
<td>20,430</td>
<td>936</td>
<td>21,393</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Medak</td>
<td>17,160</td>
<td>77,417</td>
<td>6,983</td>
<td>84,400</td>
<td></td>
</tr>
<tr>
<td>Bihar</td>
<td>Bhujpur</td>
<td>42,283</td>
<td>1,63,870</td>
<td>5,886</td>
<td>1,69,756</td>
<td></td>
</tr>
<tr>
<td>Gujarat</td>
<td>Samastipur</td>
<td>8,335</td>
<td>42,771</td>
<td>59,225</td>
<td>42,771</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Amreli</td>
<td>8,140</td>
<td>1,775</td>
<td>N.A.</td>
<td>N.A.</td>
<td></td>
</tr>
<tr>
<td>Haryana</td>
<td>Panchmahal</td>
<td>1,520</td>
<td>26,224</td>
<td>1,07,795</td>
<td>1,34,019</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bhiwani</td>
<td>4,701</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>Sonapur</td>
<td>9,738</td>
<td>65,934</td>
<td>65,934</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Indore</td>
<td>13,785</td>
<td>48,730</td>
<td>13,334</td>
<td>62,064</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Raisen</td>
<td>310</td>
<td>1,806</td>
<td>60</td>
<td>1,866</td>
<td></td>
</tr>
<tr>
<td>Maharastra</td>
<td>Bhandara</td>
<td>33,046</td>
<td>9,186</td>
<td>2,01,174</td>
<td>2,10360</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nasik</td>
<td>350</td>
<td>1,008</td>
<td>1,657</td>
<td>2,665</td>
<td></td>
</tr>
<tr>
<td>Orissa</td>
<td>Cuttack</td>
<td>6,935</td>
<td>38,929</td>
<td>500</td>
<td>39,429</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dhenkanal</td>
<td>24,285</td>
<td>1,07,887</td>
<td>8,370</td>
<td>116,257</td>
<td></td>
</tr>
<tr>
<td>Rajasthan</td>
<td>Jaipur</td>
<td>10,843</td>
<td>1,00,898</td>
<td>40,791</td>
<td>141,689</td>
<td></td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>Jodhpur</td>
<td>2,202</td>
<td>11,927</td>
<td>...</td>
<td>11,927</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bulandshahr</td>
<td>4,760</td>
<td>27,017</td>
<td>...</td>
<td>27,017</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lakhimpur-kheri</td>
<td>7,202</td>
<td>38,182</td>
<td>223</td>
<td>38,405</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Burdwan</td>
<td>4,000</td>
<td>9,200</td>
<td>4,000</td>
<td>13,200</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nadia</td>
<td>24,253</td>
<td>60,029</td>
<td>47,988</td>
<td>108,017</td>
<td></td>
</tr>
</tbody>
</table>

Figures in brackets are the percentages to totals
The construction and repair of village streets and roads was taken up in all selected villages. Out of the total 3.7 lakh mandays generated in the selected villages, this programme accounted for over 61 per cent. Four districts namely, Shajapur (Bihar), Cuttack, Dhenkanal (Orissa) and Nadia (West Bengal) reported 90.2 per cent to 96.2 per cent of total mandays generated on road works. In the seven districts the mandays employed on road works ranged from 52.9 to 86.0 per cent. In the remaining six districts, the mandays employed on road works varied from 45 per cent in Indore (Madhya Pradesh) to 9.7 per cent Jodhpur (Rajasthan) of the total mandays generated in the selected villages under 'Food-For-Work' programme.

The maximum number of mandays generated was in the selected villages of district Shajapur (Bihar) being 42,283. This was followed by Handara (Maharashtra) where 33,046 mandays were generated which was followed by Dhenkanal (Orissa) where 25,255 mandays were generated. The minimum number of 310 mandays generated under the programme of construction of roads and village streets was reported from Raisen (Madhya Pradesh).

The total expenditure on road works was of the order of Rs.13.5 lakhs of which about 35 per cent was in cash and 63 per cent in the form of foodgrains. The cash
component was very low in Lakhimpurkheri (Uttar Pradesh) 0.6 per cent. In the lowest component group were also six districts namely, Guntur and Medak (Andhra Pradesh), Bhojpur (Bihar), Raisen (Madhya Pradesh) Cuttack and Dhenkanal (Orissa) where the range of cash component was from 1.3 per cent (Cuttack) to 8.3 per cent (Medak). The highest cash component was reported from Amreli (Gujarat) 97.0 per cent and Bandara (Maharashtra) 95.6 per cent.

Rates of wages:

The minimum wages fixed for agricultural labour under the minimum wages Act, in various states and the wages paid to the beneficiaries under the Food-for-work Programme in the selected districts are indicated in the table below.

The labourers in different states and also in different districts within a state were paid varying rates of wages under 'Food-For-Work Programme'. For men, the wage rate varied from Rs.3.00 per day in Nashik (Maharashtra) to Rs.7.20 per day in Sonepat (Haryana). As for the female labour, it was noted that in both the selected districts of Uttar Pradesh and one district each in Bihar and West Bengal, the women labourers were not employed. Under this programme children were reported to have been employed only in
# TABLE - 3.4.
RATE OF WAGES FIXED UNDER THE MINIMUM WAGES ACT AND PAID UNDER THE FOOD WORK PROGRAMME

<table>
<thead>
<tr>
<th>State</th>
<th>District</th>
<th>Rate of wages Paid under food-for-work programme</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Fixed under minimum wages Act</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Male</td>
</tr>
<tr>
<td>Andhra</td>
<td>Guntur</td>
<td>Rs.3.00</td>
</tr>
<tr>
<td>Pradesh</td>
<td>Medak</td>
<td>5.00</td>
</tr>
<tr>
<td>Bihar</td>
<td>Bhujpur</td>
<td>4.50</td>
</tr>
<tr>
<td></td>
<td>Samastipur</td>
<td>5.00 one</td>
</tr>
<tr>
<td></td>
<td></td>
<td>meal/Nashia</td>
</tr>
<tr>
<td>Gujarat</td>
<td>Amreli</td>
<td>Rs.5.50</td>
</tr>
<tr>
<td></td>
<td>Panchmahal</td>
<td>3.75</td>
</tr>
<tr>
<td>Haryana</td>
<td>Bhawan</td>
<td>10.00 or 7.00</td>
</tr>
<tr>
<td></td>
<td>Sonepet</td>
<td>9.00</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>Indore</td>
<td>5.00 with 4.25</td>
</tr>
<tr>
<td></td>
<td>Raisen</td>
<td>customary 4.70</td>
</tr>
<tr>
<td></td>
<td>Bhandara</td>
<td>4.00 to 4.00</td>
</tr>
<tr>
<td></td>
<td>Nashik</td>
<td>5.50</td>
</tr>
<tr>
<td>Orissa</td>
<td>Cuttack</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td>Dhenkanal</td>
<td>4.25</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>Jaipur</td>
<td>4.25 to 6.00</td>
</tr>
<tr>
<td></td>
<td>Jodhpur</td>
<td>6.00</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>Bulandshehar</td>
<td>5.00 to 6.50</td>
</tr>
<tr>
<td></td>
<td>Lakshmipur-kheri</td>
<td>6.50</td>
</tr>
<tr>
<td>West Bengal</td>
<td>Burdwan</td>
<td>Adult 7.70</td>
</tr>
<tr>
<td></td>
<td>Nadia</td>
<td>Child 5.57</td>
</tr>
</tbody>
</table>

three of the selected districts namely, Panchmahal (Gujarat), Dhenkanal (Orissa) and Jodhpur (Rajasthan). It is interesting to note that 5 per cent of the (358) beneficiaries from 15 out of 20 selected districts had reported that the wages paid under the food-for-work programme were equal to the wages they were already getting under the prevalent market rate. The beneficiaries representing 30 per cent (239) of the total selected for the study told that the wages paid under food-for-work programme were higher than the prevalent market rates. In 12 districts, 194 (24.5 per cent) of the selected beneficiaries had reported that the wages paid under Food-for-work Programme were less than the prevalent market wage rate.

It may be seen that wages paid under the Food-for-work programme were within the range fixed under the Minimum Wages Act in six districts i.e., Medak (Andhra Pradesh), Bhojpur (Bihar), Jaipur and Jodhpur (Rajasthan), Bulansahar and Lakhimpur-kheri (Uttar Pradesh). However, wages paid under food-for-work programme were less than the minimum wages fixed in the eight districts. On the other hand the wages paid were higher than the minimum wages in the five districts, example Guntur (Andhra Pradesh). We can say that 45 per cent had reported that the wages paid under the programme were equal to market rate. Another 30 per cent had reported that the wages under programme were higher
than market rate. Remaining 25 per cent maintained that the wages paid under programme were lower than the prevalent market rate. We can account two reasons for lower rates than provided under Minimum Wages Act, one is the method of conversion of foodgrains into money wages. Secondly, lesser wages could be due to lesser output as compared to the prescribed norms in particular area.

The Evaluation study also brought out the following findings:

During 1977-'78, there was no provision for the supply of rice and only wheat was demanded and supplied. During 1978-'79, the utilisation of wheat was 100 per cent in five states and in four other states it was above 90 per cent. Haryana reported less than 80 per cent utilisation. As for rice, it was 100 per cent in Andhra Pradesh and Madhya Pradesh. Considerable delay was observed in the supply of foodgrains and out of 80 selected villages, only 50 per cent reported having received good quality foodgrains.

There was difficulty in the supply of foodgrains because of shortage of stocks in F.C.I godowns and also due to the apathy of administration, and railways and also inadequate number of depots run by F.C.I. Malpractices were adopted not only by contractors and fair price shops but also by the government machinery, and panchayat samithies
in varying degrees. The contractors indulged in selling part of the foodgrains in the open market for making extra profits at the cost of labourers. There were also malpractices in weighing foodgrains by the ration shop owners.

Out of the total beneficiaries, 50.6 per cent were agricultural labourers, 22.4 per cent cultivators, 19.7 per cent non-agricultural labourers and 7.3 per cent others. Among the total beneficiaries, 42 per cent belong to scheduled caste, 13 per cent scheduled tribes only 7.3 per cent others. 80 per cent of the selected persons who work under the programme were males and only 20 per cent were females.

**National Rural Employment Programme:**

Implementation was defective in 'Food-for-work Programme' and there was rampant corruption in the implementation of the programme. The foodgrains issued by the Central Government from the F.C.I. to the local authorities sunk into the parallel economy. Apart from the malpractices, the most pertinent factor of the failure of the programme was the strong opposition from the land lord-cum-money lender class.

All the above drawbacks were taken into account and the growing dimension of unemployment in rural areas is sought to be directly attacked in the Sixth Five Year Plan. The rural society is divided into three important categories.
The first category consists of those who are capable of manual work only, the semi-educated and the educated persons from poor rural families who are below the poverty line come under the second category, and third category constitutes educated unemployed belonging to families above the poverty line. A separate programme has been introduced for each category to generate employment opportunities in the rural areas. This measure is known as "National Rural Employment Programme."

This is a modified version of food-for-work programme. It is different from the food-for-work programme on the ground that only foodgrains were made available to the State government under the FFW programme but the provision of cash component is introduced for the purchase of materials to make assets created durable under the NREP. The ratio between the value of foodgrains and cash grants to be given to the states is roughly 2:1. A total of ₹.780 crores was provided for the programme during the sixth plan period by the centre.\(^7\)

The basic idea of all this was that the beneficiaries should be given, not cash, but commodities which would provide a balanced diet.

The evaluation team suggested not only continuance of the programme on a firm footing but also inclusion of more commodities for supply to the beneficiaries towards payment of wages. The items suggested were milk, meat, cheese, fish, pulses, balhar and a nutritive sweet preparation called sukhadi.

Apart from reducing the allocation, the programme was reoriented and rechristened in such a way as to create the impression that the emphasis has been shifted from improving the income and nutritional level provision of employment and creation of community assets.

The Food Department is reported to be of the view that the beneficiaries can make use of the cash given to them to purchase foodgrains in the market and thereby improve their nutritional level. One of the points against this line of thinking is that if cash is given, it is likely to be spent on liquor and other non-essential items.

The NREP is proposed to cover 1,000 unemployed workers initially in each of the 5,000 blocks in the country.

Priority should be given to works that provide a direct boost to rural economy. Only such works that create community assets should be taken up.

In order to ensure that benefits of this programme reach weaker sections of the society, at least 10 per cent
of the allocations under the programme would be earmarked for utilisation, exclusively on programme of social forestry and fuel plantation. The quantity of foodgrains as part of the wages should not exceed 2 Kg. per head per day.

Contractors are to be totally excluded from the execution of this programme as well as from the distribution of food grains as wages to workers. The distribution of food grains as part of the wages should as far as possible be through fair price shop.

The items of works to be taken up under the NREP:

1) Afforestation and social forestry works 2) Drinking water wells, community irrigation wells, group housing and land development projects for SC and STs 3) Construction of village tanks, repairing, 4) Minor irrigation works, including food protection drainage and anti water logging 5) Soil and water conservation and land reclamation 6) Rural roads and 7) School and Panchayat ghar Balwadi buildings, community centres, drinking water wells, cattle ponds, drinking water sources for the wild animals in the forest areas, pinjrapales, ganohales, community poultry and piggery houses, bathing and washing platform, community toilets, community garbage pits and community biogas plants.

The NREP seeks to hit three birds at one stroke.
(a) Provision of employment opportunities, which will help the rural poor earn their bread
(b) Planned utilisation of manpower, and
(c) an efficient public distribution system for all essential commodities needed by the rural poor

Recurring employment generation varied from place to place. In Tamilnadu, it ranged from 9 to 51 mandays, in Orissa 27 to 33 mandays and in Andhra Pradesh from 95 to 180. The direct employment generated was 135 mandays, in Tamilnadu and 148 mandays in Andhra Pradesh.

NREP became a regular part of the sixth five year plan.

Objectives:

(i) generation of additional gainful employment for the unemployed and under employed persons, both men and women, in the rural areas.
(ii) creation of durable community assets for strengthening rural infrastructure, which will lead to rapid growth of rural economy and steady rise in the income levels of the rural poor, and
(iii) improvement of nutritional status and living standard of the rural poor.

The programme is implemented through the State Government/Union territories' administration in accord-
ance with the guidelines prescribed by the central government.

The F.F.W.P/N.R.E.P till 31-3-1982 was fully financed by the central government. It has now been decided that the programme will be implemented as a centrally sponsored scheme on 50:50 sharing basis between the centre and the states. The ratio between material component and wage component in respect of individual works should be 40:60.

For smooth implementation of the programme, it is necessary that the state governments procure coarse grains like jowar, Bajra and Maize etc., which are locally grown and utilise the same under the programme.