CHAPTER-III
AN OVERVIEW OF RURAL EMPLOYMENT PROGRAMMES, CENTRAL AND STATE

SECTION -I

3.1 Central Programmes

Massive investments have been made under the Five Year Plans. But they have resulted in an insignificant growth of the economy and expansion of employment opportunities. It is also true that they have also carried some of the benefits both in terms of employment and in terms of other concessions and inputs to the poorer sections of society. Nevertheless, there is large-scale unemployment both in rural and urban areas which is a major cause of poverty. This is so mainly because our plans have been growth oriented and the employment objective was relegated to a secondary place. If we want to make any dent into poverty, it should only be through provision of gainful employment, which is an antidote to poverty. The rural sector is particularly disadvantaged in respect of unemployment in the sense that it has to maintain all the residual labour force after meeting the demands of the other sectors. The problem is further complicated as the labour force has been increasing the pressure on land. There may not be much of chronic unemployment in rural areas,
but seasonal unemployment is rampant. The bulk of the marginal farmers, agricultural labours, and rural artisans are employed hardly for seven to eight months in a year and are hard pressed even for their subsistence during the slack season. This explains the rigor of rural poverty. The Central Government from time to time implemented a number of programmes which have directly or indirectly helped the rural labour-force to get employment. The following is the list of programmes introduced during the latter half of the last century.

1. Integrated Rural Development Programme (IRDP). 2. Training for Rural Youth and Self Employed (TRYSEM) 3. Jawahar Rojagar Yojana (JRY) 4. Land Reforms 5. Drought Prone Area Development Programme (DPADP) 6. Desert Development Programme (DDP) 7. Western Ghat Development Project, 8. Khadhi and Village Industries Programmes, 9. Small Scale Industries and Ancillary and Large Scale Industries 10. Handloom Units, 11. Handicrafts Training cum Production and Procurement Units, 12. Agro-based units such as Dairy, Poultry, Sheep rearing, Pig rearing etc. and 13. Chaitanya Scheme. Of these, some programmes are introduced by the Central Social Welfare Board (serial Nos. from 9 to 12) which extends financial assistance to provide employment opportunities to the destitute, poor and the physically handicapped persons. The Board seeks help from various
government departments and agencies like Small Industries Services Institutes, All India Handicrafts Board, All India Handloom Board, Industrial Department of the State Governments etc, for the successful implementation of the programmes. Under the Chaitanya Scheme, the financial assistance is given to backward communities and economically backward persons whose annual income is below Rs.10,000=00.

A brief sketch of all the programmes is as follows.

(i)  **Integrated Rural Development Programme (IRDP)**

IRDP is a major anti-poverty programme implemented during 1978-79. It is intended to raise the income of the target-group above the poverty line. The target-group consists of the poorest among the poor in rural areas. It includes small farmers, marginal farmers and agricultural labourers who are below the poverty-line. Special safe-guard is also provided to the Scheduled Caste and Scheduled Tribe communities under this programme. Loans are given to them to acquire productive assets, technology and skill to make their economic activities viable. The programme of assets endowment under IRDP was aimed at developing self-employment ventures in a variety of activities like agriculture, sericulture, animal husbandry and other land-based activities in the primary sector, weaving and handicrafts in the secondary
sector and service and business in the tertiary sector. The eligible persons and families are identified by the local governments, namely, panchayat bodies and loans are provided through the lead-bank in the area. They are also given subsidies. The amount of loans and subsidies range from Rs.3000 to Rs.5000 per person.

ii. Training for Rural Youth and Self Employed (TRYSEM)

A Centrally sponsored scheme, TRYSEM, was launched by the Central Government in the department of Rural Development in 1979. TRYSEM is a facilitating component of the IRDP. The objective is to provide technical and entrepreneurial skills to the rural youth from families below the poverty-line whose annual income is less than Rs.3500. The objective of TRYSEM is to enable the people from the target group to take up self-employment in the broad fields of agriculture, and allied activities, industries, services and business activities. The scope of TRYSEM scheme has been extended to include wage-employment also. The target group comprises rural youth between the age of 18 and 35 from the families below the poverty-line. The minimum age for imparting training under this scheme is 16 years for the inmates of orphanages. The upper age limit is raised to 45 for freed bonded labourers, released convicts, displaced persons due to large development programmes and cured leprosy patients. The training is provided on the basis of need and requirement. A minimum of 50% of trainees should belong to SC/ST
communities. At least 3% of the benefits should be reserved for physically handicapped who are capable of taking training and, subsequently, get employed. The selected youths are put through a period of training either with a training institute or skilled craftsman to provide necessary technical and entrepreneurial skill. On the successful completion of training they receive a package of subsidies and industrial credit under IRDP for acquisition of income generating assets. The district rural development agencies identify the necessary location in consultation with the district-level officers of the different departments. The final selection of vocation is done keeping in mind the demand for skills, goods and services required. The training facilities are made available at all block-headquarters. The centres may include institutions like, ITIs, Polytechnics, Khadi and Village Industries Board etc. The duration of the training does not normally exceed six months. In some cases it may depend upon the trades. Stipends to trainees are also available. Up to Rs.150 per trainee per month is given if the training is given in the village of the trainee. Up to Rs.250 is paid if training is conducted in some other place where free accommodation is also provided. In case the period of training is less than one month, the stipend is Rs.10 per day subject to a minimum of Rs.125 for the entire period of training. If free accommodation is not available, Rs.300 are paid. These are only upper limits. Lower amounts of money may be fixed depending
upon the local conditions. Stipend is given by the State Governments or local bodies. Thus, the TRYSEM is a programme aimed at providing skills which facilitate employability of rural youths.

iii. Jawahar Rojgar Yojana (JRY)

Unemployment, underemployment and poverty are the basic problems of the rural area. The population of SC, ST and nomadic tribes is the poorest among the poor. The incidence of unemployment among these sectors of rural society is very high. To tackle these problems, JRY came into operation in April, 1989. The then existing wage-employment programmes like NREP and RLEG were merged with JRY.

This scheme proposes to give employment to at least one member of each rural poor family up to 100 days in a year in the vicinity of residence of the families. The scheme is implemented and administered by the village panchayats all over the country. Families which are below the poverty-line would be benefited by the scheme. The State governments may furnish some model schemes to the panchayat bodies for guidance. Fifteen percent of the total resources transferred to the village panchayats which is exclusively used for the benefit of SC and ST communities, construction of roads, houses for individual members of SC and ST families, community services like panchayat office,
Anganwadies, primary school, water conservation, flood and famine control, construction of sanitary latrines etc is envisaged under JRY. The Indira Awaj Yojana started in 1989-86 aimed at construction of dwelling units free of cost for the poorest of the poor belonging to the SC and ST communities and freed bonded-labourers. It is now taken up by the JRY. The Million Wells Scheme launched in 1988-89 with the objectives of providing open irrigation wells free of cost to the poor belonging to SC and ST and freed bonded-labourers has also come under JRY. Eighty percent of the total finances of the JRY will be borne by the Central Government and the rest by the State Government.

iv. Land Reforms

Land reforms have been recognized as an important constituent of the rural development programmes since the days of independence. The Planning Commission emphasized the role of land reforms in increasing productivity of the holdings and paving the road for modernization of agriculture. Land to the tiller may also be considered as an anti-poverty programme. Redistribution of land provides a permanent asset-base for a large number of rural landless labourers for taking up land-based and other related activities. Similarly, consolidation of holdings, tenancy regulations, updating land-records etc, provide the needed impetus to small and marginal farmers to take to improved technology and improved inputs. These not only
increase the productivity of the farms but also employment opportunities. The new technology is described as labour-intensive (Green Revolution).

v. Drought Prone Area Development Programme (DPAP)

This programme was started in 1970-71 in areas chronically affected by drought with the main objective of organizing permanent works to obviate scarcity, providing relief and generate adequate employment through labour-intensive schemes, such as medium and minor irrigation works, soil-conservation, village and district roads necessary to open up the area for agricultural improvement. In the Sixth Five Year Plan this programme was reoriented as an Intensive Area Development Programme (IADP) with the objective of developing land, water, live stock and human resources of these areas.

vi. Dry Land Development Programme (DLDP)

A Centrally sponsored scheme of Integrated Dry Land Agricultural Development Programme was launched in 1970-71 with the co-operation of research centers maintained by Indian Council of Agricultural Research (ICAR). This scheme was adopted to solve the twin problems which the agricultural sector in the country is faced, namely, low productivity and high instability. Dairy, poultry, horticulture, sericulture, forestry, sheep and goat rearing, pig rearing etc., are the main dry-land development
programmes. These programmes not only provide additional income but also generate employment throughout the year and thus help in raising the socio-economic condition of dry land farmers. Agricultural crops have several advantages; fruit trees provide ample employment opportunities to the farmer and his family members during the off-season. Nursery harvesting, packing etc, provide employment. Sheep rearing, goat rearing etc are also sources of additional employment.

vii. Western Ghats Development Programme

This programme was formulated by the Planning Commission to ensure sustained economic development of the region. This programme is in operation from the Fifth Five Year Plan. It is fully funded by the Planning Commission with 90 percent grant and 10 percent loan and is implemented by the State Government. It covers 166 taluks in Maharashtra, Goa, Karnataka, Tamilnadu and Kerala. The programme originally had the objective of socio-economic development of the people living in the ghat areas. In the Sixth Five Year Plan this programme was sought to be balanced by the need to preserve the environment. During the Seventh and Eighth Five Year Plans the main objective has been to preserve ecological balance in the ghat area. The chief constituents of this programme are the preservation of forest, encouraging social forestry helping social conservation and development of agriculture. The Western Ghat Development
Programme supports also sericulture, minor irrigation, fisheries, animal-husbandry and poultry activities. All these have an ample scope for employment. Under the programme training in certain jobs is given with a stipend of Rs.200 per month enabling the trainees to undertake self-employment depending upon the availability of the grant. The trainees will be given loans to purchase the instruments and equipments; 1/3 of the loan is by way of subsidy. The Rural Co-operative Industrial Societies provide these facilities.

viii. Vocational Training Programme (VTP)

The government has introduced condensed courses for the welfare of the needy and the deserving people. The main objectives are:

1. To open up new bases of employment to a large number of deserving and needy people.

2. To create competent and trained workers, particularly, in the rural areas in the shortest possible time. These courses are conducted by the District Training Centers, Rural and Small Industries Department and Social Welfare Department. Training is also imparted under TRYSEM.

The Village and Small Industries Department has introduced special schemes for Scheduled Caste people where
training is given along with a stipend of Rs.300 per month. It also provides equipment worth Rs.1000=00 to each candidate.

ix. Khadi and Village Industries Scheme (KVIC)

The Khadi and Village Industries Commission implements its programme through the State Khadi and Village Industries Board. Installation of charkas and gobar gas plants in rural areas, identification of low fibrous raw materials such as banana trees and their use in the manufacture of fancy and utility articles, diversification of activities such as preparation of bakery products, manufacture of irrigation pipes, glazed pottery articles, leather and sports goods, garments, blending of fabrics like loka-vastra and poli-vastra, processing of maize and ragi etc, are some of the programmes implemented by the KVIC. Loans are given to the village industries which either create employment or self-employment. The KVIC concentrates on planning and policy formulation, technology development, training and marketing and implementation of the programmes. Among the village industries, gobar gas, village leather, non-edible oil, soap, pottery, beekeeping, sericulture, cane, gur and khandasari, weaving etc are important. These schemes increase employment opportunities benefiting the weaker sections of society like SC and STs and inhabitants of hill and border areas.
x. Socio-Economic Programmes

The socio-economic programmes include (a) units under small scale industries and units ancillary to large industries. (b) handloom units (c) handicrafts training-cum-production and procurement units and (d) production units with agricultural background, such as dairy, poultry, sheep breeding etc. The socio-economic programmes are launched by the Central Social Welfare Board to provide employment to the destitute poor and physically handicapped and the needy women. The scheme offers them work and wage to earn family income. It seeks help and cooperation from other various government departments and other agencies like Small Industries Service Institute (SISI), All India Handloom Board and Industrial Departments of the State Governments for the successful implementation of the programmes. The target group gets loans and subsidies.

xi. Chitanya Scheme

Under this scheme the person belonging to backward communities and economically weaker sections gets financial help to undertake self-employment. The Karnataka Backward Communities Development Corporation has implemented the loans scheme and the training scheme for backward and economically weaker sections whose annual income per person is less than Rs.10,000=00. Under the Chitanya Yojana Scheme
loans are made available to the target groups through the commercial banks, co-operative societies, Karnataka State Finance Corporation (KSFC) etc. The Corporation sanctions the loans recommended by the district committees and the margin money is released by the Corporation. The margin money is not a subsidy. It carries 4 percent rate of interest. The margin is 50 percent up to Rs.5000, 30 percent between Rs.5000 and Rs.10,000 and 20 percent for Rs.10,000 to 25000. Over and above the margin money, the loan is charged at the prevailing rate of interest. Under the Chaitanya Scheme loans are given for trade, services, industries, animal-husbandry and agro-based industries.

The programmes discussed above and introduced since independence were development oriented programmes. Rural employment was considered then only as a by-product of development. Experience of the earlier first four Five Year Plans i.e., from 1951 to 1971 showed improvement in agricultural output but, the benefits of development where not shared widely by the community. The fruits of development did not percolate down to the targeted group in the society. They were left out of the orbit of development. The Fifth Plan discussed this lacuna in the plan programmes and the government launched a programme to attack directly the problem of poverty through the provision of wage-employment programs under the 'Garibi Hatao' banner. The
then Government introduced a number of imaginative wage-employment programmes during the last three decades of the last century. A number of wage-employment programmes have been introduced at the national level. A brief sketch of such programmes is given below.

a) To begin with during 1971-72 a Crash Scheme of Rural Employment Programme (CSRE) was taken up throughout the country as a non-plan-programme with a provision of Rs.50 crores to provide quick and direct employment to at least some specific numbers, in each district. The scheme has a twofold purpose, namely, (i) generating employment for one thousand persons on an average per year in each district and (ii) production of assets of durable nature in consonance with local development plans. The works taken were to be completed within two working seasons. Experience of the working of the programme revealed that the resources were spread thinly over a very large number of small projects and about 80% of the expenditure was incurred only on communications.

dii. Pilot Intensive Rural Employment Programme (PIREP)

As a part of CSRE, PIREP was taken up during 1973-73 in 15 selected blocks. The object was to collect the necessary data regarding the dimensions of the programme for providing full employment to every one who was willing to work. The scheme
was implemented over three years. During the Fifth Plan, the government proposed a Minimum Needs Programme (MNP) which included a massive programme of construction of rural roads with an outlay of Rs.500 crore, a programme of drinking water supply in rural areas with an equal outlay and a similar large construction programme for education, public health and rural households. In view of an integrated approach towards the areas development of which rural development and employment formed the basic objectives, the CIRES was discontinued and PIREP was confirmed up to 1974-75.

xiii. Food for Work Programme (FWP)

At the instance of ILO another wage-employment programme, namely, FWP was launched with the assistance of world bodies. The specific feature of FWP was to distribute food grains to the rural workers. A part of the wage was paid in kind i.e. in terms of food grains. The operation of the Food for Work Programme also pointed out to a number of 100 faults in the implementation of the programme which prevented the target group to get as much benefit as the scheme intended.

xiv. Rural Employment Guarantee Scheme (REGS)

1. The objective of the REGS was to provide work to all employment seekers in rural areas.
2. Employment was to be made available within a reasonable
distance for all employment seekers between 18 and 60 years
of age.

xv. Special Rural Employment Guarantee Programme (SREGP)

REGS was followed by SREGP which had three specific
objectives in mind.

1. To help the people from SC and ST.

2. To fight the incidence of poverty in the rural scarcity areas.

3. To meet fully the demand for employment.

xvi. National Rural Employment Programme (NREP)

The NREP started in October 1980 to achieve the objective
of re-distribution of income and consumption in favour of the
poorer sections of the community by significantly increasing the
opportunities in rural areas. The NREP replaced the FWP and
become a part of the Sixth Five Year Plan from April 1981. The
programme had three basic objectives:

1. Generation of additional gainful employment for the
   unemployed and under-employed persons, both men and
   women in rural areas.

2. Creation of productive community assets for direct and
   continuing benefits to the poverty groups and for strengthening
the rural economic and social infrastructure which will lead to rapid growth of rural economy and steady raise in the income levels of the rural poor.

3. Improvement in the overall quality of life in the rural areas. Preference was to be given to the landless labourers in all the works. Even amongst landless labourers priority should be given to SC and STs women for employment. Instead of spreading resources too thinly attempts were made to provide a minimum reasonable quantum of employment to such households. The NREP was implemented as a Centrally sponsored scheme on sharing basis between the Center and the States.

xvii. Rural Landless Employment Guarantee Programme (RLEGP)

RLEGP was launched on 15th August 1983. It was continued in the Seventh Plan also with a renewed vigor and thrust to contribute significantly to the generation of additional employment in the rural areas particularly for the landless workers. RLEGP also had three main objectives.

1. To improve and expand employment opportunities particularly in rural areas so as to guarantee 100 days of employment to at least one member of the landless families.
2. To create productive and durable assets for direct continuing benefits to the poverty groups.

3. To improve the overall quality of life in rural areas. As in the case of NREP even in RLEGP preference was given to rural landless labour families. Even among them, priority was given to women belonging to SC and STs. An important feature of RLEGP was the issue of identity cards to rural landless households and record of employment provided to them in approved works in each RLEGP project.

**JRY**

During the first four years of the Seventh Plan, the two wage-employment programmes, namely, NREP and RLEGP were in operation in the country. From the last year of the Seventh Plan i.e., from April 1989 both these programmes were merged into a single rural employment programme known as JRY. In the context of the New Economic Policy, JRY was taken up as a largest single employment programme during the Eighth Five Year Plan. But the strategy for implementation of JRY was modified in 1993-94 to ensure better implementation. The objectives of the programmes can be stated in two categories i.e., primary and secondary.
The primary objective was the generation of additional gainful employment for the unemployed and under-employed persons, both men and women in the rural areas.

The secondary objectives were:

1. Creation of sustained employment by strengthening the rural economic infrastructure.

2. Creation of community and social assets.

3. Creation of assets in favour of rural poor particularly to the SCs and STs for their direct and continuing benefits.

4. Improvement in the overall quality of life in the rural areas. The JRY was intended to cover people below the poverty line as in the past. Preference was given to people of SC, STs and Women. Thirty percent of the employment opportunities were reserved for women. Works under JRY could be taken up normally during any part of the year whenever there was need for generating employment. The scheme was implemented as a Centrally sponsored scheme on cost sharing basis between the Center and the State in the ratio of 80:20.
xviii. Employment Assurance Scheme (EAS)

The Eighth Five Year Plan aimed at bringing employment into a sharper focus with the goal of reducing unemployment to a negligible extent within the next 10 years. It was felt that efficient use of available human resources was the only way of alleviating poverty, reducing inequalities and sustaining reasonable growth. It is in this context EAS was assured in the scheme-envisaged provision of 100 days of employment during the lean agricultural season to all those seeking employment. The scheme was implemented in 1752 identified backward blocks in 257 districts coming under DPA desert areas, tribal areas and hill areas.

As against the earlier norms, under EAS a maximum of two adults per family were to be provided 100 days of employment if and when they seek it. Persons seeking employment under EAS would be given employment within the area of the blocks on works started from the shelf of works. The EAS is open to all rural people residing in the area. However, it is targeted to the poor and needy and wanting work.

xix. Jawahar Grama Samvruddi Yojana (JGSY)

The JRY and EAS resulted in the creation of durable assets in the form of school-buildings and other infrastructure. However, under these programmes, the creation of wage-employment was the overriding priority and the effort was to see that in the
processes of creating employment, durable assets were also created. It is, however, felt now that a stage has come when the development of village infrastructure needs to be taken up in a planned manner. This is best done by the village Panchayats which are grass root administrative bodies. Accordingly, the government decided to streamline and restructure the JRY. The new programme is known as JGSY and is now dedicated entirely to the development of rural infrastructure at the village-level to be implemented by the village Panchayats. The village Panchayats have the sole authority for preparation of annual action-plans and their implementation. This programme has come into effect from 1-4-1999. The JGSY has the following objectives.

1. Creation of demand driven community village infrastructure including durable assets at the village-level and assets to enable the rural poor to increase the opportunities for sustained employment.

2. Generation of supplementary employment for the unemployed poor in the rural areas. Under JGSY 22.5% of the annual allocation shall be earmarked for SCs and STs individual beneficiary schemes. The wage-employment under the programme will be given to BPL families.
xx. Sampurna Grameena Rojagar Yojana (SGRY)

The last in the list of wage-employment programmes benefiting the rural poor is SGRY. The SGRY was launched on 15th August 2000. Under the scheme 50 lakh tons of food grains worth Rs.5000 crores are to be provided every year to the States and Union Territories free of cost and another Rs.5000 crores are to be utilized to meet the cash component of wage and material cost. All wage-employment-schemes of the Central Government become part of SGRY and would be executed by Panchayat bodies at all levels. The programme will be implemented as a Centrally sponsored scheme on cost sharing basis between the Center and the State in the ratio of 75:25. Food grains are to be provided free of cost. However, the cost of transportation of food grains will be the responsibility of the States. SGRY aims at provision of wage-employment and food-security in the rural areas. At the same time, creation of durable community assets and infrastructure are other aims of SGRY. The scheme is available for all the rural poor, both Below Poverty Line (BPL) and Above Poverty Line (APL) who are in need of wage-employment and are willing to take up manual unskilled work in and around the village. The EAS and JGSY were to be continued as part of SGRY till March 2002. Thereafter they get merged with SGRY.
SECTION - II

3.2 State Programmes

All the Central Government schemes which have been introduced from time to time have been in operation in Karnataka too. The present study is confined to the evaluation of wage-employment schemes in Karnataka.

As far back as 1978, the Government of Karnataka had introduced EAS on its own in the State. This is a supplementary programme of employment and as a sort of insurance against long-drawn-seasonal unemployment inflicting misery and starvation on the rural masses. The Planning Department examined the issue of introduction of Employment Affirmation Scheme in the state from June 1978. It estimated the likely job-seekers and the resources-requirement for providing guarantee of work to all rural adults. In view of the enormity of the problem of resources-requirement, the government finally decided to restrict the employment guarantee to 100 days during the slack agricultural season every year in the rural areas. The scheme was implemented in 45 taluks in 1978-79 and was proposed to be extended to all taluks by 1982-83. The objectives of the scheme was to guarantee gainful work to the rural poor for 100 days. Only unskilled and manual work was provided. Any person seeking work could register his name in the village panchayat.
The workers had no choice of work as such. As far as possible, work was provided within six kilometers from the residence of the registrants. In selecting the work-sites in the villages attention was paid to dovetail the EAS with rural development in the IRD Blocks. The slack agricultural scheme in the EAS could be split into two or three seasons of shorter duration depending upon the local conditions subject to the ceiling of 100 days. The EAS allowed technically and economically feasible labour-intensive work where wage-cost was not less than 70%. Works benefiting SCs, STs and weaker sections were given priority. The work projects were considered under two categories: (1) directly productive work and (2) indirectly productive work.

Directly productive works constituted minor irrigation works such as desilting of tanks and canals of major and medium projects, aorestation, soil conservation, land development etc. The indirectly productive works consisted of improvement of Harijan colonies, construction of village-roads, school-buildings, housing for the poor and village-sanitation schemes. The works under EAS were to be executed departmentally and through contractors. It was the responsibility of the department executing the work to ensure that a reasonable amount of work turned out by the workers. The works under taken had to be completed within 100 days. A comprehensive plan for EAS was prepared for every taluk. Detailed guidelines were issued by the Planning
Department in respect of preparation of manpower-budgets, identifying labour-intensive works, determination of priorities etc. A ceiling of 25% of the total outlay was fixed for road construction because it was observed that most of the work consisted of road construction. The Deputy Commissioner was overall in charge of the district. The allocated funds were placed at the disposal of the Deputy Commissioner who would allocate the works in the district among the various implementing agencies. For effective implementation an audit squad was created which would thoroughly inspect the on-going-works from time to time. The EAS was merged with NREP in 1983. Then onwards all the Central schemes were implemented by the State Governments on a sharing basis.