CHAPTER – III

RURAL EMPLOYMENT GENERATION PROGRAMMES IN INDIA
The experience of developing countries clearly demonstrates that the development of an economy has direct bearing upon expansion of its employment opportunities. Gainful employment of labour with adequate wages not only adds to improve their living conditions but also significantly contributes in the capital formation of the country. Besides, it also promotes the national income that is tatted to pay for public services, which again boosts the standard of living. Therefore, the significance of Rural Employment Generation Programmes (REGPs) cannot be underestimated as the main problem of the rural areas is associated with poverty, unemployment, underemployment and inequality. In fact, the rural people suffer from the inadequacy of the minimum basic needs such as food, clothing, shelter, health, education, clean water etc. They are half-fed, half-naked, ill-health and illiterate surrounded by poverty, disease and chronic unemployment.

To wipe out these problems of the rural people, REGP is the only answer and this is the reason that almost all the developing countries, having the dominance of rural sections in their total population, have favoured the idea of rural employment programmes to be implemented with will and firmness. Thus, the importance of REGPs in a capital scarce and labour surplus economy like India lies not only absorbing the surplus labour force in rural areas but also in reducing the concentration of poverty, regional imbalance and a more equitable distribution of income to the vast number of rural population. Therefore, the Government of India (GoI) stressed the need for a sharper focus on programmes aimed at providing both self-employment as well as wage-employment to rural unemployed and poorer sections of the society. In fact, India’s development strategy comprises a wide range of anti-poverty and employment generation programmes. This chapter is designed to focus on an in-depth analysis of the various REGPs introduced since independence in India in order to alleviate rural unemployment in particular and rural development in general. This chapter has been divided into two sections. In section ‘A’ an effort has been made to survey the various REGPs in India since independence up to the implementation of National Rural Employment Guarantee Scheme (hereafter referred to as NREGS). In the section ‘B’, the different centrally-sponsored rural employment generation programmes operating in the state of Assam are discussed.
SECTION-A

The glorious past of India, when traced back as far back as Chandragupta Maurya, there was considerable prosperity and general contentment among the people. Before the British occupation, the country was ruled by Mughals. Historical analysis shows that during the Mughal regime there was all round prosperity in India throughout the rule of Akbar, Jahangir and Sahajahan. Report of the Indian Industrial Commission published in 1918 gives the view that “At a time when the West Europe, the birth place of modern industrial system was inhabited by uncivilized tribes, India was famous for the wealth of her rulers and for the high artistic skill of her craftsman. And even at a much later period, when merchant expeditions from west made their first appearance in India, the industrial development of this country was at any rate not inferior to that of more advanced European nations.”

During pre-British period, the economy of India was basically the rural economy which was based on self-sufficient economic units in the form of villages. The economy of the villages was based on a simple division of labour. The main occupation of the people was cultivation of land and tending of cattle. However, there were artisans, carpenters, weavers, potters, washerman, cobblers, barbers, goldsmith etc. Besides, each village produced most of their necessary requirements and raw materials within the village and very rarely, the products went beyond the village market. The villages were almost self-sufficient in respect of daily necessities except certain commodities like salt, spices, fine cloths and luxury or semi-luxury goods. In this connection, Sir Charles Metcalfe wrote, “The village communities are little republics having nearly everything they want within themselves, and almost independent of foreign relations. They seem to last where nothing lasts. This union of the village communities each one forming a separate little state by itself is in a high degree conducive to their happiness and to the enjoyment of a great portion of freedom and independence”.

However, it has been observed that the socio-economic conditions of rural people of the country gradually deteriorated during the British regime due to their atrocious control rule. With British dominance over India, the socio-economic situation dwindled down gradually. They consciously shattered the economic status of the country,
appropriated her wealth and drained out it to England and created all possible obstacles, as a result, India reduced to the status of a weak and poor country. During 200 years of British rule, the rulers introduced systematic sophisticated methods to exploit Indians which destroyed the traditional, indigenous economy of the country. In fact, the British rulers had no intention of making India economically self-sufficient, rather they took India merely as a colony to be squeezed as a supplier of raw materials and food grains to England. Besides, the continuous pressure of British regime for use of British machine-made finished products among Indians caused the destruction of Indian indigenous handicrafts.

In addition, the Indian artisans were also exploited by the British rulers. The artisans were exploited through the agents for delivering cotton and silk at a price much below than the market price. Under such situation, the artisans had to work in inhuman conditions like bonded labour.

During the British rule, the Indian agriculture and industries were discouraged. Consequently, the Indian economy suffered extremely which caused serious unemployment and poverty in the country. Sir Charles Elliot has remarked, "I do not hesitate to say that half of the agricultural population never knows from one year’s end to another what is to have a full meal." Prof. K.T. Shah and K.J. Khambata have shown that sixty per cent of the population of India on the eve of the Second World War had per capita income of only one and half anna per day. Not to think of clothing or shelter, amusement or recreation, even two principal meals could not be secured by spending this sum.

The British rulers had left India on 15th August 1947, with a bleeding polity, a ruined economy and a sick society. At the time of independence, the Indian people were steeped in mass poverty and unemployment. India had an illiterate labour force, static agriculture with semi-feudal relations. Comparatively, the county was less developed industrial sector and woefully inadequate infrastructure in the form of poor transportation and communication, energy and power, banking and finance etc. Moreover, there was shortage of food grains and, therefore, the country had to import food grains from other countries. The production level in industries was almost nil and the country lacked capital to invest in industries. Consequently, at the time of

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independence, the condition of people was very pathetic. Even, they were deprived of basic essential commodities in their lives. After independence, the situation became very worse because of partition of the country into India and Pakistan. The partition of the country remarkably created serious problems like rehabilitation of migrants. It was really very difficult to provide food and lodging to a large number of migrants which created a miserable socio-economic condition for independent India.

In fact, at the time of independence, India was a country of very low per capita income and economic condition of the country was at its lowest-ebb and there was widespread poverty throughout the country. At that time, almost half of India’s populations were below poverty line. India was essentially an agrarian country, though the country with its more natural and human resources was ideally suited for industries. Agriculture was the backbone of Indian economy. More than 70 per cent of the country’s populations were dependent on agriculture. Agriculture provided not only food items but also employment opportunities. As it were, agriculture was the primary source of occupation of the large number of rural population. Therefore, the socio-economic conditions of the rural Indians were obviously dependent on agriculture. In 1950-51, about 72.1 per cent of country’s population depended on agriculture. Agriculture and allied activities contributed about 59 per cent of the total national income. However, agriculture was in hopeless and deplorable conditions. The means and tools of agriculture were crude and old fashioned. Due to the application of age old and traditional techniques, the productivity was very low. In 1950-51, there were only 7 tractors, 62 oil engines (farm mechanization machines or techniques) and 16 irrigation pump sets per lakh hectare of gross cropped areas of the country. A very negligible amount of fertilizer (0.66 lakh tonnes in 1952-53) was applied on agriculture. Due to its low productivity, agriculture could manage only subsistence living to Indian farmers and it was not at all commercialized. Besides, the role of usurious capital in Indian agriculture was quite significant in those days. The usurious capital was unbelievably huge in volume and this led to growing indebtedness among the poor rural farmers. It was due to the absence of alternative credit agency, the village money lenders ruled the root of the Indian agriculture. Taking advantage of the poor conditions of the rural farmers, they charged exorbitant rate of interest and purchased the products at a rate the

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5 Basanti Das, *op. cit.*, p. 2.
6 *Loc. cit.*
money lenders decided. It was nothing but sheer exploitation of the farmers. As a result, the increasing indebtedness created such a situation which often compelled the rural farmers to commit suicide in some places of the country.

Besides, since there was no social security system in India and almost about 92 or 93 per cent of workers have to work in the informal sector where the employment is uncertain. Wage level for the workers was less marginal. It is therefore, necessary to introduce employment generation programmes particularly in the rural areas where employment and under-employment are colossal. In many cases, rural unemployed people migrated to urban areas in search of employment. It is therefore said that, poverty is exported to urban areas.

Further, during the period of freedom struggle, the National Leaders pleaded the people that after independence national resources would be mobilized and directed towards the removal of poverty and unemployment from the country. Thus, free India was committed to rapid economic development to provide a better quality of life to the masses. Prime Minister, Pandit Nehru said, “After the attainment of independence our urgent task has been to devote ourselves to the economic betterment of our people, to raise their standard of living, to remove curse of poverty and to promote equality and social justice. The extent to which we succeed or fail in this great task will be measure of our achievement.” Keeping this objective in view, after independence the Government of India (GoI) constituted the Planning Commission in March, 1950 in order to handle the problem of poverty and economic development through the process of planning. In fact, India’s development strategy comprises a wide range of poverty alleviation and employment generation programmes. These include a number of special employment generation schemes for both self-employment as well as wage-employment in rural areas. Right from the inception of Five Year Plans, the GoI has initiated a number of anti-poverty and employment generation programmes to tackle these twin problems. From the very beginning, plans had put emphasis, inter alia, on four major objectives, namely: (1) accelerating the growth of the economy; (2) increasing self-reliance by reducing the imbalance in current account of the Balance of Payments; (3) reducing

7 *Loc. cit.*
poverty and income inequality; and (4) lowering unemployment by reducing the gap between the supply of and demand for labour force.\(^8\)

The approach to tackling unemployment problem varied from time to time. In the initial years of planning, no serious attempt was made to define an independent employment strategy. Right from the independence, it was assumed that unemployment situation would automatically improve as a result of economic growth. Therefore, no direct measures to eliminate unemployment were preferred as the apprehension was that they could slow down the growth process by raising consumption expenditure on the one hand, and cutting down the economic surplus on other. The focus on economic growth was viewed as essential for improving the employment situation.

The Draft of the First Five Year Plan (1951-56) stated that, “the central objective of planning in India at present stage is to initiate the process of development which will raise the living standard and open out to the people view opportunity to a new verified life.”\(^9\) Thus, it is observed that the First Five Year Plan had no direct relation with rural employment. However, it targeted itself to a programme of full employment and it suggested that such a programme could be implemented only if some progress had been made in removing the structural deficiencies in the economy by generating more capital stock and supplementary inputs. In other words, this strategy was based on two implicit hypotheses “(1) that employment generation, poverty reduction and improving the standard of living of the people were all synonymous, and (2) that the growth of the economy and generation of employment were so correlated that any growth-oriented development strategy would take care of unemployment \textit{per se}.”\(^10\) Towards this end, the First Five Year Plan started \textit{Bhoodan}\(^11\) and \textit{Gramdan Movements}\(^12\) in 1951 and 1952

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10 Eugene D. Thomas, \textit{op. cit.}, p. 6.

11 \textit{Bhoodan} movement was a Land Gift Movement started by Acharya Vinoba Bhave in April 18, 1951 at Pochampally village now known as Bhoodan Pochampally. The word \textit{Bhoodan} is a combination of Pochampally with the terms “Bhoo” means bhoomi or land and “Dan” means gift or equal distribution. It is a moral appeal to the land-owning classes in the villages to donate a part of the holdings voluntarily to the less fortunate landless classes of the society.

12 \textit{Gramdan} was a movement started by Acharya Vinoba Bhave in 1952 in Uttar Pradesh. The word \textit{Gramdan} is a combination of two terms “Gram” means gaon or village and “Dan” means gift of land equal distribution. So, \textit{Gramdan} was a “village gift” movement. It means a voluntary donation of land equally among all villages' families.
respectively with a view to acquire surplus land through donation from individual landowners and to distribute the acquired land among the landless families. Besides, the National Community Development Programme (NCDP) was launched in 1952 to bring about the overall development of the rural community with the people’s participation in the development process.

The reliance on growth as a catalyst for employment was reiterated during the Second Plan (1956-61) and it was endorsed in a memorandum submitted by the panel of economists to the Planning Commission. But fear was also expressed that agriculture may not absorb the ever rising work force. As a result, the panel of economists recommended a substantial investment in heavy industries. While expressing its concern for widespread unemployment in the country, it recommended an area-based employment strategy emphasizing the need to pay special attention to suitable programmes in backward areas and small towns with a planned provision for small-scale and large industries.\(^\text{13}\)

During Second Five Year Plan importance was given on Panchayati Raj Institutions (PRIs) as a process of democratic decentralization for bringing about socio-economic development in rural areas. Apart from these, the Intensive Agricultural District Programme (IADP) was launched in 1960 which aimed at concentrating resources in agriculturally better placed areas.

Although the basic approach of the Third Five Year Plan (1961-66) was similar to the Second Plan, it reverted to the First Plan's sectoral priority favouring agriculture as the harbinger of economic growth and therefore, employment. Towards this direction, the role of rural-based industries was explicitly emphasized. Rural electrification, in particular was emphasized for providing employment in the rural economy. During the Third Plan, a good number of programmes such as Rural Industrial Projects Programme (RIPP), Hill Area Development Programme (HADP), Tribal Area Development Programme (TADP), Intensive Agricultural Area Programme (IAAP), Intensive Area Development Scheme (IADS) etc. were introduced for socio-economic development of the rural people.

It is notable that although the plan succeeded in creating employment opportunities for about 14.0 million persons, it still failed to find additional employment opportunities for nearly 3 million persons. To tackle this problem, the plan proposed to

\(^{13}\) Eugene D. Thomas, *op. cit.*, p. 7.
approach the problem along two main directions: (1) promoting fairly large programme of rural industrialization with special emphasis on a programme of rural electrification; and (2) rural work programmes to provide work for 100 days in a year for a maximum 2.5 million persons. This last feature was developed and extended further in later plans.\textsuperscript{14}

Thus, till the Third Five Year Plan the emphasis was laid on maximization of rate of the growth of Gross National Product (GNP) and it would automatically ‘tide down’ to generate poor masses and enhance their income level. But no real and organized efforts were made to tackle rural poverty and unemployment through anti-poverty and employment generation programmes. In fact, for two decades reliance was placed on cottage and agro-based industries and infrastructural projects for absorbing the backlog of unemployment. Thus, initially, it was thought that when the process of development started, the ‘trickle down’ effect would take care of the problem of unemployment. However, the problem has been aggravated plan after plan. There was therefore, an urgent need for the Government to initiate a number of programmes as a part of its planned strategy to develop rural India and alleviate unemployment.

It is very significant to note that though the removal of unemployment is one of the avowed objectives of each plan period, however, until the Fourth Five Year Plan (1969-74), one does not find any reference of employment policy in India with a bold approach to tackle the galloping rural unemployment problem in a forthright manner. It was only during the Fourth Five Year Plan, the focus shifted from growth-oriented strategy to direct intervention to attack these problems. In fact, the slogans of “goribi hatao” (removal of poverty) and “growth with social justice and equality” were emphasized during the early 1970s to indicate clearly that the emphasis would be on the eradication of poverty and unemployment, not simply on increase in gross national income. Therefore, in view of this situation, the GoI during the post-independent period has initiated a number of anti-poverty and employment generation programmes to tackle the problem of poverty and unemployment. The thrust of the policies have to be on opening up greater avenues of works for the rural poor in such a way that such policies simultaneously contributing directly to the creation of durable productive assets for the community. It was with this view that certain programmes were launched during plan era which can be divided into following two broad categories –

\textsuperscript{14} Ibid., p. 8.
a. Self-employment programmes; and
b. Wage-employment programmes.

Self-Employment Programmes

This stream provides self-employment to the poor, relatively less privileged classes and backward areas, by way of providing subsidized loan to purchase productive assets and skill development augmenting their income level. Besides, it also creates infrastructure for the development of backward areas. It is pertinent to note that the need for creation of self-employment opportunities in rural areas became urgent due to the following factors, viz. (i) growing marginalization of rural population depending mostly upon agriculture, arising out of an extremely skewed distribution of assets, (ii) while there was a lot of disguised unemployment in the agricultural sector, its non-agricultural counterpart was neither developed nor so diversified as to absorb increasing rural labour force, (iii) the government’s policies of rural industrialization did not create adequate impact as there was local paucity of the specific skills required, (iv) the alternative strategy of providing wage employment through rural works programmes provided only temporary palliatives without being permanently curative by way of providing a permanent source of income to the poor as such programmes are location-specific. The government, therefore, rightly decided to create an environment so that rural people go in for self-employment, without looking up to others to provide them employment.¹⁵

Small Farmers’ Development Agency (SFDA) and Marginal Farmers and Agricultural Labourers (MFAL)

Under self-employment programmes, the GoI has implemented many programmes as an integral part of poverty alleviation and rural employment generation. The Fourth Five Year Plan laid special emphasis on enabling small farmers to participate in the process of development, and share in its benefits. Two beneficiary oriented programmes like SFDA and MFAL were introduced in the year 1970-71. The creation of these two Agencies lies in the Report of the All India Rural Credit Review Committee, which was constituted in 1966 and submitted its report in 1969. The Committee recommended the establishment of a countrywide network of Pilot Projects in the form

of SFDA and MFAL in order to ameliorating the economic conditions of small, marginal farmers and agricultural labourers and to bidding them into the mainstream on national development.

The objectives of the schemes are: (a) to identify the eligible small and marginal farmers; (b) to investigate and identify the problems of small and marginal farmers; (c) to arrange inputs services required by the small and marginal farmers; (d) to provide irrigation; (e) to help eligible farmers in securing loan from Co-operatives and National Banks for sinking wells on their own land; (f) to encourage digging and deepening of wells for group of farmers; (g) to help eligible farmers in securing the facilities of storage and market their products; (h) to draw up investment plans and production activities to be undertaken by the cultivators participating in the programme and ensure supervision and their implementation.\textsuperscript{16}

The main emphasis of the SFDA/MFAL was on crop husbandry in irrigated and rain fed areas. The programme duly supported activities like development of minor irrigation, soil conservation and development, water harvesting techniques, consolidation of holdings coupled with a shaping and construction of watercourses and field channels. Under the programme emphasis was also laid on strengthening the co-operative sector for smooth flow of credit to the identified small and marginal farmers. Further, provisions were made for strengthening the market and go down facilities.\textsuperscript{17}

During the Fourth Plan, SFDA projects were started in 87 areas in the country. Each project was expected to cover during the five year period, approximately 50,000 thousand families of identified small farmers, defined as those whose landholdings ranged from 2.5 to 5.0 acres. Programmes based on land and animal husbandry was included in the project. SFDA provided subsidy to the extent of 25 per cent to identify small farmers on capital investments and inputs. Besides, loans were also available from cooperatives and commercials banks. SFDA was a central sector scheme until 1978-79, with 100 per cent assistance from central funds. From the year 1979-80, it became a joint venture of the central and the state governments, each sharing the coast of the scheme in a 50:50 ratio.\textsuperscript{18}

\textsuperscript{16} Basanti Das, \textit{op. cit.}, p. 24.
\textsuperscript{17} Ibid.
During the Fifth Five Year Plan (1974-79), certain modifications have been introduced in these two programmes with budget provision of Rs. 200 cores. Each project became a composite nature covering small/marginal farmers and agricultural labourers. The numbers of projects were extended to 160 districts in the Fifth Plan. However, as per the recommendation of the National Commission on Agriculture (1976), MFAL was merged with SFDA. At the beginning of Sixth Five Plan i.e. on 2nd October, 1980, SFDA was merged with the Integrated Rural Development Programme (IRDP) which covered the entire rural areas.

**Integrated Rural Development Programme (IRDP)**

During Fourth Plan, rural employment and poverty eradication was limited to group specific and area specific programmes i.e. SFDA/MFAL. These programmes failed to improve the conditions of weaker sections and generate greater employment. Therefore, considering the high magnitude of rural poverty and unemployment, the Fifth Five Year Plan made a fresh look at the various dimensions of rural unemployment. Progressive reduction and ultimate eradication of poverty was one of the major goals of this Plan. Keeping this in view, the Fifth Plan launched a single largest anti-poverty and rural employment generation programme called IRDP as a result of the merger of erstwhile SFDA, MFAL, DPAP, Command Area Development Programme (CADP) and Area Development Programme (ADP).

In fact, the concept of IRDP was first proposed in 1976. It has gained momentum ever since C. Subramaniam, the former Finance Minister, in his address at All-India Science Congress, Waltair, 1976, viewed it, "as a systematic, scientific and integrated use of all our natural resources and as a part of this process, enabling every person to engage himself in a productive and socially useful occupation and earn an income that would meet at least the basic needs." IRDP has the unified field instead of the multi-purpose approach of the NCDP initiated in the beginning of planning. It is not a technique, but a plan of detailed action for development of rural areas. The main objective of the IRDP is to improve the economic and social conditions of the poorest section of the rural society. It aims at raising the poorest families in the rural areas to the above poverty line on a sustainable basis by providing them income generating assets, credit facilities and other inputs.

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The IRDP aims at additional employment generation and rising of income of all the poor families who lived below poverty line (families of about five persons with an annual income below Rs. 3,500). The thrust of the programme is on the poorest of the poor, consisting of small and marginal farmers, agricultural and non-agricultural labourers, rural artisans and craftsmen, Scheduled Castes and Scheduled Tribes.\textsuperscript{20}

The major areas that are sought to integrate under IRDP are:

a. agricultural development, including animal husbandry, fisheries, social and village forestry, and horticulture;

b. village and cottage industries;

c. tertiary sector employment for various services; and

d. labour mobilization, training in skills and promotion of mobility of labour.\textsuperscript{21}

The target group consists of small and marginal farmers, agricultural labourers and rural artisans etc. whose per capita monthly expenditure does not exceed the poverty line (ranging between Rs. 216.65 and Rs. 327.48 for different State/UTs) as estimated by the Planning Commission. Currently, the BPL census is being carried out in all the states and the revised poverty line will be used to categorize BPL families. Within the target group, special safeguards have been provided by reservation of:

a. 50 per cent benefits for SCs/STs;

b. 40 percent for women; and

c. 3 per cent for physically handicapped persons;

d. Priority is also to be given to women headed households, assignees of surplus land, freed bonded labourers and acceptors of small family norm. However, this should not in any way adversely affect the safeguards provided for SCs/STs, women and physically handicapped persons;

e. The flow of financial assistance (subsidy + credit) to the categories described above should commensurate with the percentage of the physical coverage.\textsuperscript{22}

Initially, IRDP was started on a pilot basis in 20 selected districts representing different socio-economic and ecological conditions. It was extended to 2300 blocks by 1978-79 as central sector scheme and 100 per cent fund provided by the Central Government. During 1979-80, another 300 blocks were added to the programme and it was made a centrally-sponsored scheme shared on 50:50 basis between the Centre and

\textsuperscript{20} Ibid, p. 81.
\textsuperscript{21} Ibid.
the States. Finally, all the 5011 blocks in the country were brought under IRDP on October 2, 1980, i.e., after launching the Sixth Five Year Plan (1980-85), as a major instrument of anti-poverty and employment generation programme in rural areas. In each block, 600 families were to be covered under the programme and out of these, 400 were to be covered through agriculture and related activities, 100 families through rural industries and other 100 families under rural services, business enterprises etc. the allocation of fund per block was Rs. 35 lakh and this was to be equally shared between the Centre and the State Governments. In addition to this, provision was to mobilize institutional finances for investment under the programme.  

During the Sixth Plan, a sum of Rs. 1,661 crore was spent on this programme as against the provision of Rs.1500 crore and the total number of beneficiaries covered during the plan period was 16.56 million as against the target of 15 million. During Seventh Five Year Plan (1985-90), set a target to assist 20 million households under IRDP and the total allocation under this programme was Rs. 3474 crore. During this plan about 18.2 million families were assisted and about Rs. 3316 crore was utilized.  

During the Eight Plan (1992-97), the total allocation under IRDP was Rs. 5,048.29 crore and the total expenditure by the end of the plan was Rs. 4,874.70 crore or 96.56 per cent of the total allocation. In quantitative terms, 10.82 million families were covered under IRDP against the initial target of 12.6 million families. It means the achievement was 85.87 per cent of the target fixed. With coming into effect of the Swarnajayanti Gram Swarojgar Yojana (SGSY) from 1st April, 1999 as a new self-employment programme, the IRDP was no longer in operation.

Training of Rural Youth for Self-Employment (TRYSEM)

Training occupies an important position in the efficient management of any development programme. Besides providing skills, training brings about desired changes in the outlook and the attitudes of trainees in tune with the ever-changing needs of the environment. Keeping this in view, the GoI initiated TRYSEM on 15th August, 1979 as the allied programmes of IRDP. TRYSEM as a centrally-sponsored scheme shared on 50:50 basis between the Centre and the States.

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The objective of the scheme is to provide technical and entrepreneurial skills to rural youths from families below poverty line to enable to take up self-employment in the broad fields of agriculture and allied activities, industries, service sector and business activities. The main stress is on equipping the rural youth with necessary skills and technology to enable them to take up self-employment.26

The objectives of TRYSEM are:

a. To facilitate for self-employment of rural youths;

b. To ensure rural development;

c. To select 40 youths (both male and female) from each block within the age group of 18 to 35 years and to give training for self-employment;

d. To provide technical and administrative knowledge to them;

e. To try to establish small scale industries, trade and commerce based on rural resources;

f. To accelerate the process of rural development;

g. To deter the tendency of urbanization;

h. To establish appropriate and time tested rural industries;

i. To bring out the rural people from below poverty line; and

j. To create an atmosphere of employment to the rural youths under TRYSEM and thereby to ensure rural development.27

The rural youth in the age group of 18 and 35 years from the target group of families in the rural areas having an income of less than Rs. 3,500 per annum are eligible for training under the scheme. Only one rural youth per eligible family is to be selected for training. The vocations confine broadly to the fields of agriculture and allied activities, industry, service and business activities etc. TRYSEM, as a part of IRDP, aims at training two lakh rural youths every year at an average rate of 40 youths per block.

The main components of the scheme are:

a. To pay monthly stipend and daily allowance where necessary and tool-kit to the trainees and allowances for raw materials at specified rate;

b. To pay honorarium to trainers/master craftsmen, etc.;

c. Grant of subsidy to the trained youths at the rate of 33.3 per cent of the cost of the scheme to train youths to set up self-employment ventures, subject to maximum subsidy limits of Rs. 3,000 in non-Drought Prone Area Programme (DPAP) areas, Rs. 4,000 in DPAP areas and Rs. 5,000 Scheduled Tribe families;
d. To arrange the balance of the cost of the scheme through institutional finance; and
e. Besides training, the scheme envisages organizational and operational linkages with other institutions so that credit, marketing, raw materials supplies, etc., may be provided to the trainees at the appropriate time.²⁸

During the Sixth Five Year Plan period, as against the target of imparting to 10.05 lakh of youth, the achievement was 9.4 lakh. This accounted for 93.3 per cent of the target set for the reference period. During this period, 4.64 lakh of youths could be provided self-employment of which, SC and ST constituted 31.5 per cent and women trained constituted 34.5 per cent.²⁹

During Seventh Five Year Plan, no target was fixed, however, in absolute terms, the number of youths trained was 997,960 marginally below than the Sixth Five Year Plan. During 1990-91, the target was 425,314, but the actual achievement was only 150,776.

The coverage of SC, ST and women beneficiaries under the programme constituted 25.00 per cent, 20.76 per cent and 35.79 per cent respectively of the total number of 179235 rural youths trained by the end of 1994-95. Similarly, youths belonging to SC, ST and women constituted 26.67 per cent, 23.55 per cent and 36.28 per cent respectively of the total 125527 trained youths were given employment during the same period. However, by the end of 1994-95, trained youths numbering 50,708 could not be rehabilitated which constituted 28.30 per cent of the trained youths. During the year 1995-96, the number of youths trained was 16,589 of which 10,572 were rehabilitated.³⁰

However, the flows of benefits to poor under TRYSEM were found to be not making much impact. Therefore, in order to overcome the situation a new self-employment programme called Swarnajayanti Gram Swarojgar Yojana (SGSY) was launched with effect from 1st April, 1999 incorporating with erstwhile TRYSEM.

²⁸ K. Venkata Reddy, op. cit., p. 85
²⁹ Basanti Das, op. cit, p. 40.
³⁰ Ibid., p.41.
Development of Women and Children in Rural Areas (DWCRA)

The DWCRA, as an allied programme of IRDP, was first introduced in 1978 as a pilot project in 50 selected districts and extended to all states during 1982-83 and one district in each Union Territory (UT) in 1985. The scheme was promoted by the central government with the corporation of United Nations Children’s Fund (UNICEF).

It is noteworthy to mention that the DWCRA is the gender component of IRDP which aimed at improving the socio-economic status of the rural poor women through creation of group of 10-15 women for delivery of services like credit and skill training, cash and infrastructural supports for self-employment. The overall aim of the scheme is to increase income levels of women by enabling them to participate in organized socio-economic activities. As a result of group formations, women’s access to basic services of health, education, child care, nutrition, water and sanitation is bound to improve.31

The specific objectives of DWCRA are:

a. To help and promote self-employment among the rural women who are in below poverty line, by providing training in vocation;
b. To organize beneficiaries in some group activities and to promote economic and social self reliance;
c. To generate income for the poor by creating avenues for production of goods and services; and
d. To organize production enhancing programmes in rural areas.

During Seventh Five Year Plan, it was observed that the total 2765 women groups were formed covering 47982 women beneficiaries at an estimated cost of Rs. 438.44 lakh. In 1990-91, formation of women groups (219) exceeded the target covering 3691 women beneficiaries for an estimated cost of Rs. 64.31 lakh. During the periods ranged between 1991-92, 1992-93 and 1993-94, the number of women beneficiaries covered under the programme stood at 5160, 2944 and 4604 with an estimate outlay of Rs. 63.40, Rs. 38.68 and Rs. 64.92 lakh respectively. The two succeeding periods (1994-95 and 1995-96) the corresponding figures appeared to be of the order of 10,471 and 23989 for an estimated cost of Rs. 112.43 and Rs. 322.72 respectively.32 Subsequently, the DWCRA was integrated with SGSY from 1st April, 1999.

31 Neela Mukherjee and Amitav A. Mukherjee, ‘Let the Poor Be Arbiter of Their Own Future’, Kurukshetra, October 1991, p. 71.
32 Basanti Das, op. cit, p. 44.
Prime Minister Rozgar Yojana (PMRY)

The Prime Minister Rozgar Yojana (PMRY), a credit linked subsidy scheme to provide financial assistance to less educated and poor unemployed youth in the country was launched on 2nd October, 1993. Initially, the scheme was specially designed for educated unemployed in the urban areas to provide employment to more than one million persons by setting up seven lakh micro enterprises during Eight Five Year Plan in industry, service and business. However, during 1994-95, the scheme covered both in rural and urban areas. As per the scheme, an educated unemployed living in any part of the country is ineligible for availing financial assistance under the scheme. In case of individuals, the scheme provided loan up to a ceiling of Rs. 1 lakh. But if two or more eligible persons enter into a partnership for a project with higher cost, the loan can be assisted but the share of each person in the project cost must not exceed Rs. 1 lakh.

The eligibility norms under the PMRY are as follows:

a. 18 to 35 years for all educated unemployed in the country except the North Eastern States, Uttaranchal, Himachal Pradesh and Jammu and Kashmir;

b. 18 to 40 years for all educated unemployed in the North Eastern States, Uttaranchal, Himachal Pradesh and Jammu and Kashmir; and

c. 18 to 45 years for Scheduled Castes and Scheduled Tribes, Ex-servicemen, physically handicapped and women.

Under the scheme there were some conditions attached like the income of beneficiary and spouse along with the parents of the beneficiary should not exceed Rs. 40,000 per annum. Beneficiary should be a permanent resident of the area for at least 3 years (relaxed for married men in Meghalaya and for married women in rest of the country). For married men in Meghalaya and for married women in rest of the country, the residency criterion applies to the spouse or in-laws. The beneficiary should not be a defaulter to any National Bank/Financial Institution/Co-operative Bank. Further, a person already assisted under other subsidy linked government schemes would not be eligible under the scheme. Besides, the scheme has given special attention to weaker sections including women. The scheme envisages 22.5 per cent reservation for SC/STs and 27 per cent for the Other Backward Classes (OBCs). If the candidates of SC/ST/OBC are not available, State/UT will be competent to consider other categories of candidates under PMRY.33

33 Vasant Desai, op. cit., p. 167.
During the Tenth Plan (2002-07), out of the 23,35,012 applications received, 1421,932 were given assistance and Rs. 7,442 crore was disbursed to 11,92,531 entrepreneurs providing employment to 14,91847 people. The central government assists the entrepreneurs through capital subsidy and provides funds to states for entrepreneurial development. Evaluation studies show that the employment generation was around 1.95 per functioning unit. 39.1 per cent of the beneficiaries are from rural areas. Assets have been created in 89.7 per cent of the cases where loans were disbursed. About 36.4 per cent of the beneficiaries were repaying the loan installment on time; the average amount of loan disbursed was Rs. 64,000 per unit.\textsuperscript{34} On 31st March, 2008, the scheme was merged into Prime Minister's Employment Generation Programme (PMEGP).

**Swarnajayanti Gram Swarojgar Yojana (SGSY)**

Under self-employment programme the SGSY became a single window programme for rural poor launched on 1st April, 1999, merging erstwhile IRDP, TRYSEM, DWCRA, Supply of Improved Toolkids to Rural Artisans (SITRA), Gana Kalyan Yojana (GKY) and Million Wells Scheme (MWS). The basic objective of SGSY is to bring the existing poor families (Swarozgaris) above the poverty line by organizing them into Self-Help Groups (SHGs) through the process of social mobilization, training and capacity building and provision of income generating assets through a mixed of bank credit and government subsidy. The Swarojgaris take up the activities for self-employment either individually or in groups (SHGs). For this purpose, about 10 activities are selected in each block with the help of officials, non-officials and the bankers based on the ability to raw materials, skill and aptitude of people and market potentiality of the product. The focus should be on 4 to 5 'Key Activities' and should be such that the Swarojgaris get appreciable sustained income over a period of time to enable them to cross the poverty line. The ‘Key Activities’ concentrated largely on integrated agriculture, horticulture, pisciculture, bee-keeping, animal husbandry, dairy, goatery, sheepery, poultry and various micro enterprises. It is conceived as a holistic programme of micro enterprises covering different aspects of self-employment of the

\textsuperscript{34} Ibid., p. 166.
rural poor such as capacity building, infrastructure build-up, technology, credit and marketing support.\textsuperscript{35}

The main features of the programme are:

a. Establishing a large number of micro-enterprises in rural areas, building upon the potential of the rural poor;

b. Assisted families may be individuals or groups but the emphasis is on the self-help groups;

c. Cluster approach for establishing micro-enterprises, identification of 4 to 5 activities in each block, based on resources, occupational skills of the people and availability of market;

d. Project approach for each key activity;

e. SGSY is a credit-cum-subsidy programme;

f. Emphasizes skill development through well designed training programme;

g. Provides for promotion of marketing of goods produced by Swarojgaris;

h. Special focus on vulnerable groups- SC/ST at least 50 per cent, women 40 per cent and disable 3 per cent; and

i. Fund of SGSY is shared between the Central and State Governments in the proportion of 75:25.\textsuperscript{36}

So far the achievements of SGRY is concerned, it is observed that during 1999-2000, as against an allocation of Rs. 1,472.33 crore, Rs. 1,131.02 crore were released under the programme. Against the total credit target of Rs. 3,205 crore, credit mobilized was Rs. 1,056.46 crore which was 32.96 per cent of the stipulated target. The credit subsidy ratio comes to 1.95:1 against the target of 3:1. Per capita investment was Rs. 17,113 against the target of Rs. 25,000.

Since its inception in April 1999 up to September 2011, 42.05 lakh SHGs have been formed under SGSY, of which approximately 60 per cent were women. Total investment under the scheme was Rs. 42,168.42 crore comprising Rs. 28,824.53 crore as credit and Rs. 13,343.89 crore as subsidy. During this period, a total of about 168.46 lakh swarojgaris have been assisted with bank credit and subsidy. Under the special project component of SGSY, a placement-linked skill development programme has been


taken up with 148 projects sanctioned so far with an outlay of Rs. 1654 crore. About 4 lakh youth have already been trained and 3 lakh placed so far. In each district of the country, one Rural Self Employment Training Institute (RSETI) has to be set up for basic and skill development training of rural below poverty line youth to enable them to undertake micro-enterprise and wage employment. The government has approved 329 RSETIs out of which funds have been provided to 264. During 2010-11 and 2011-12, approximately 183,765 rural youth (including 137,147 BPL youth) were trained in 264 RSETIs functioning in the country. Finally, the scheme was restructured as National Rural Livelihood Mission (NRLM) effective from 1st April, 2013 by the Ministry of Rural Development (MoRD), GoI.

**Wage-Employment Programmes**

In order to provide greater thrust to additional wage-employment to the rural poor on various public works, infrastructural development and food security in the rural areas, the MoRD, GoI launched many ambitious new schemes from time to time. It has already been stated that the real and organized efforts for eradication of rural unemployment in the independent India started from Fourth Five Year Plan, however, since Third Five Year Plan; the GoI initiated certain wage-employment programmes on a pilot basis. Rural Manpower Programme (RMP) was started in 1960-61 in 32 Blocks on a pilot basis for utilizing rural labour force, which was extended to 1000 Blocks by 1964-65 and remained in operation till 1968-69 with generating the employment of 100 days at least to 2.5 million persons in a lean agricultural season during the 3rd Plan, but could generate only 137 million man-days of employment.

In the Fourth Five Year Plan, the Cash Scheme for Rural Employment (CSRE) was started in April, 1971 for a period of three years for generation of 315 million mandays for 1000 persons in each of 350 districts of the country each year through labour intensive works. Along with CSRE, a Pilot Intensive Rural Employment Programme (PIREP) was launched in November, 1972 in 15 Blocks for three years period, to provide additional employment opportunities for unskilled labour. About 18.16 million man-days of employment were generated under PIREP.\(^{38}\)

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Drought Prone Area Programme (DPAP)

Drought has been a major concern as huge part of the country suffers regularly leading impoverishment of the agriculture sector. Drought prone areas in India have suffered chronic instability of weather, crop production and consequential economic burden. These areas constitute a major factor contributing to regional imbalance in the country. Therefore, to coup up the situations prevailing in drought prone areas, some special development programmes were designed by the GoI. In 1970-71, a Rural Works Programme (RWP) was initiated with the focus on the execution of rural works and employment generation in the drought prone areas. However, subsequently it was realized that mere rural works programme would not help in eradication of rural unemployment. Therefore, in the Fourth Five Year Plan, after the mid - term appraisal, the RWP was reoriented and redesigned as the DPAP. The programme was introduced in the year 1970-71 in 54 DPAP selected units spread in 13 states in the country for the economic development of certain vulnerable areas by organizing productive and labour-intensive programmes like medium and minor irrigation, soil conservation, afforestation and road construction.

The main objectives of the programme are:

a. Development and management of water resources;
b. Measures involving soil and moisture conservation;
c. Afforestation with special emphasis on social and farm forestry;
d. Development of pastureland and development of animal husbandry;
e. Livestock and dairy development;
f. Use of improved seeds and fertilizers;
g. Change in cropping pattern and change in organic practice;
h. Cultivation of drought resistant and short duration crops; and
i. Development of subsidiary occupations.\(^{39}\)

At the initial stage, the approach was a central sector scheme with 100 per cent financial assistance from the centre. However, from the Fifth Plan, the programme was operating with funds being shared between the centre and State on a 50:50 basis.

During 1970-72, a sum of Rs. 30.80 crore was spent and employment generation was about 4.70 million man-days. In the year 972-73, 40 million man-days of employment were generated by spending Rs. 38.51 crore.

The total Fifth Plan outlay on DPAP for the five year period was about Rs. 337 crore. The expenditure on different items was said to be impressive. During the Fifth Plan, 45.9 per cent of the total expenditure was on irrigation; 15.6 per cent on agriculture; animal husbandry 14.5 per cent and pasture development 13.1 per cent; fisheries 10.08 per cent and rest was distributed among different items such as horticulture, drinking water supply, credit management, etc.\textsuperscript{40} Subsequently, the scheme was merged with the IRDP in the Sixth Five Year Plan.

**Food for Works Programme (FWP)**

In April 1977, all the earlier experiences were culminated in the FWP as an integral part of the strategy to tackle the problems of rural unemployment and poverty. The scheme was initiated mainly to provide off-season employment to the growing number of agricultural unemployed. The scheme was designed to offer additional gainful employment to the rural poor and improve their nutritional status and income level through development of infrastructure and creation of community assets by utilizing surplus food stocks.

The basic objectives of the programme are:

a. To maintain and create durable community assets and strengthen rural infrastructure;

b. To raise wages of agricultural workers;

c. To generate massive rural employment;

d. To make available cheaper food for landless labourers;

e. To utilize surplus food grain stocks for better purposes and productive efforts;

f. To help maintaining village public works; and

g. To release commercial credit for productive purposes.\textsuperscript{41}

The category of works qualify for assistance under the FWP included irrigation, soil and water conservation, afforestation by Forest Department, construction of village roads, construction of field channels, construction of school building and community centers. Under this scheme, a part of wages of the workers engaged in rural works was paid in terms of food grains. The central government supplied the food grains to the states free of cost.

\textsuperscript{40} K. Venkata Reddy, *op. cit.*, p. 60.

During 1977-78, as against 2.04 lakh tonnes of wheat allocation, a total 1.27 lakh tonnes was utilized and created 444.34 man-days of employment. In 1978-79, 12 lakh tonnes of food grains were utilized by generating employment about 355.97 man-days. During 1979-80, the utilization was estimated at 23 lakh tonnes of food grains inclusive of the special allotment which was made to the States affected by drought during the year, resulting in about 600 to 700 million man-days. However, disappointingly, the figure was 1,611.62 man-days during 1980-81. Ultimately, the programme was integrated with National Rural Employment Programme (NREP) in the year 1980-81.

National Rural Employment Programme (NREP)

The FWP was restructured and redesigned as NREP in October 1980, became a regular plan programme right from 1st April, 1981 to provide supplementary employment opportunities to the needy where the problem of unemployment and underemployment was chronic and acute during the lean periods of agricultural operations. The NREP seeks to generate additional employment to the extent of 300 to 400 million man-days per year.

The principal objectives of the programme are:

a. To generate additional employment opportunities for the unemployed and under employed persons;

b. To create productive community assets for continuous flow of benefits to the poverty groups;

c. To bring about over-all development of the rural area; and

d. To provide nutritional standards to rural poor through supply of food grains as wages.42

The important features of NREP are as follows:

a. A district/block level employment plan will be formulated taking into account skilled and unskilled workers, the number of people seeking work and the work opportunities under different plan and non-plan workers in the district;

b. Projects are to be prepared for each district/block, taking into account the felt needs of the rural community;

c. Priority to works relating to social forestry and pasture development, soil and water conservation, irrigation, flood control and drainage, field channels in

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42 Basanti Das, op. cit., p. 35.
command areas, construction and improvement of village tanks and ponds, school and dispensary buildings, works relating to improvement of village ecology and environment, hygiene and sanitation;

d. Ten per cent of the resources are earmarked for works of direct and exclusive benefits to the SC and ST category;

e. Ten per cent of the resources are earmarked for utilization on social forestry;

f. Ten per cent execution of the work under NREP will be through the PRIs and implementation has been entrusted to the DRDA all over the country. The NREP will be implemented as a centrally-sponsored scheme on fifty-fifty sharing basis between the Centre and the States. The Centre will provide its share in the form of food grains to the extent of food grains available; and

g. Voluntary organizations of repute and standing can also be entrusted with the execution of permissible works under the NREP.43

During Sixth Five Year Plan, a sum of Rs. 1620 crore was allocated under the programme but the actual total expenditure incurred Rs. 1,837 crore and total food grains utilization was 20.57 lakh tonnes. The employment generation for this period was 1,775 million man-days.

The Seventh Five Year Plan had earmarked a total outlay of Rs. 2,487 crore for the NREP and out of which the central government sanctioned Rs. 1,251 crore. The Seventh Plan sets a target to generate unemployment to the extent of 1,445 million man-days. But during the first four years of the Plan, nearly Rs. 2,940 crore was spent under NREP generating 1447.7 million man-days of employment which has fulfilled the plan target.44 Subsequently, the programme was merged with Jawahar Rozgar Yojana (JRY) during the financial year 1989-90.

Rural Landless Employment Guarantee Programme (RLEGP)

To support NREP, the RLEGP was introduced on 15th August, 1983 as centrally-sponsored programme with the sole objective of alleviating poverty, unemployment and underemployment among the rural landless workers. The main objectives of RLEGP are:

a. Improve and expand employment opportunities for the rural landless with a view to providing of guarantee of employment to at least one member to every landless household up to 80 to 100 days in a year; and

43 K. Venkata Reddy, op. cit., pp. 77-78.
b. Creating durable assets for strengthening the rural infrastructure so as to meet the growing requirement of the rural people.

Thus, the objectives and stipulations under RLEGP were similar to those of NREP. However, the NREP was for the generation of additional employment for the unemployed and underemployed persons, the RLEGP provided guaranteed employment to at least one person to each rural landless labour up to 100 days in a year. Under the programme, funds had been earmarked specifically for certain activities i.e. 25 per cent for social forestry, 10 per cent for the works benefiting only the ST and SC and 20 per cent for rural housing under Indira Awaas Yojana (IAY).

An outlay of Rs. 500 crore, fully financed by the central government, was provided under this programme in the Sixth Plan. However, during 1983-85, the central government approved 320 projects with an estimated cost of Rs. 906.59 crore as against the target of 360 million man-days. However, the total man-days of employment generated during this period was 260.18 million.

During the Seventh Five Year Plan, an outlay of Rs. 1,743.78 crore was shared equally by the Centre and the States with the target to generate 1,013 million man-days of employment ranging from 1985 to 1990. The ratio of wage and non-wage expenditure was prescribed to be maintained at 50:50 basis.

The impact of investment made under the RLEGP could be felt during the period 1983-84, where 20.94 lakh man-days of employment could be generated. During the two successive periods, the achievements were spectacular where 184.73 and 115.01 lakh man-days of employment opportunities could be created for the landless labourers. On the contrary, during the succeeding periods ranging between 1986-87, 1987-88 and 1988-89, the level of employment came down sharply to 10.75, 14.89 and 12.81 lakh man-days respectively.\(^{45}\) During the financial year 1989-90, the RLEGP was merged into JRY as a centrally sponsored programme.

**Jawahar Rozgar Yojana (JRY)**

The JRY was Rajiv Gandhi's vision of a new drawn in poverty and unemployment eradication efforts. The main idea behind the programme was that the money would go straight from the centre to the Village Panchayats. During the financial

\(^{45}\) Basanti Das, *op. cit*, p. 43.
year 1989-90, the two ongoing employment generating programmes viz. NREP and RLEGP were merged into JRY as a centrally-sponsored programme.

The objectives of JRY are as follows:

A. Primary Objective

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

B. Secondary Objectives

a. Creation of sustained employment by strengthening rural economic infrastructure and assets in favour of the rural poor for their direct and continuing benefits; and

b. Improvement in the overall quality of rural life in rural areas.\(^{46}\)

The specific features of NREP are as follows:

a. People below poverty line are the target group;

b. Preference is given to Scheduled Castes, Scheduled Tribes and free bonded labourers;

c. 30 per cent of the employment opportunities are reserved for women;

d. 6 per cent of total resources are earmarked for IAY at the national level;

e. 20 per cent of total resources are allocated for Million Wells Scheme;

f. 10 per cent of the annual allocation may be used for incurring expenditure on maintenance of assets created under NREP/JRY/RLEGP;

g. 2 per cent of annual allocation is allowed to be spent on administration or training;

h. The JRY is shared between the Centre and States in the ratio of 80:20;

i. Middlemen or contractors are not permitted to engage for executing any of the work;

j. At least 60 per cent of the resources have to be spent as wage component;

k. The execution of the scheme has been poured on the shoulder of DRDA; and

l. It is expected that the scheme would be started during lean agricultural period and may continue during busy agricultural period.\(^{47}\)

During 1989-90, a total of 517.63 man-days of employment could be generated at an estimated outlay of Rs. 10,445.27 lakh, of which, the share of SC, ST and women

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\(^{46}\) Om Prakash Brahmacarya, "Jawahar Rozgar Yojana: A New Dimension in Rural Development" in Devendra K. Das (ed), op. cit., p. 206.

\(^{47}\) Ibid.
constituted 30.46, per cent 36.76 per cent and 20.71 per cent respectively. During the subsequent periods ending 1994 mostly a positive shift could be noticed in terms of investment made under the programme while the man-days of employment generated showed a decelerating trend. Factual evidence revealed that during 1990-91, of the total employment of 341.97 lakh man-days, the share of SC, ST and women constituted 30 per cent, 37.26 percent and 24.32 per cent respectively while during 1991-92, the corresponding shares were of the order of 30.20 per cent, 36.68 per cent and 22.86 per cent. Much of the same state of affairs could be noticed during 1992-93, 1993-94 and 1994-95 where the share of SC, ST and women in the total man-days of employment generated constituted 29.69 per cent, 36.68 per cent and 27.12; 29.20 per cent, 38.01 per cent and 32.60 per cent; and 29.48 per cent, 38.32 per cent and 30.79 per cent respectively. On the other hand, during 1995-96, the magnitude of total man-days of employment registered was 586.04 lakh man-days in response to an estimated investment of Rs. 24683.95 lakh.\(^{48}\) From 1\(^{st}\) April, 1999, JRY was restructured and renamed as Jawahar Gram Samridhi Yojana (JGSY).

**Employment Assurance Scheme (EAS)**

On 2\(^{nd}\) October, 1993, the EAS, a sub-scheme of JRY, was launched in rural areas in 1,778 backward blocks of 261 districts situated in the drought prone, desert, tribal and hill areas, as a centrally sponsored scheme with the cost sharing pattern of 80:20 basis between the Centre and the States. Since the financial year 1997-98, the scheme was implemented in all the development blocks of the country.

The primary objective of the scheme is to create additional wage employment opportunities through manual work for the rural poor below the poverty line during the lean agricultural season. The secondary objective of the scheme is the creation of durable socio-economic community assets for sustaining employment and development. Under the scheme, assured employment of about 100 days was provided to those persons who were above 18 years to 60 years of age and seeking employment during the lean season. The scheme was opened to all rural poor who are in need of wage employment. Preference was given to SCs and STs and parents of child labour withdrawn from hazardous occupations. The works were selected by the District Collector (DC) and

\(^{48}\) Basanti Das, *op. cit.* p. 42.
implemented through the concerned line departments in such a way that the ratio of wage and non-wage component would be 60:40.

The salient features of EAS are:

i. The scheme is operative in all the rural blocks of the country;

ii. It is a demand driven scheme with no fixed earmarking of annual funds for any district or block;

iii. Expenditure is shared between the Centre and the States on 80:20 basis;

iv. The Central assistance under the scheme is directly released block-wise to DRDA/ZPs based on the demand for wage employment and expenditure;

v. All adult rural poor normally residing in the village are covered;

vi. A maximum of 2 adults per family are provided the assurance of up to 100 days of employment. New works will not be opened under this scheme if employment potential is available through plan and non-plan works already in progress and the assurance could be fulfilled by utilizing the same;

vii. Works should be labour intensive which results in the creation of durable productive assets;

viii. As an individual beneficiary oriented scheme, on the land of BPL families, horticulture development is a permitted activity;

ix. Implementing agencies are BDOs, District Officers of various line Departments and PRIs at the three levels. The desirous works have to get themselves registered with village level workers or GPs and are issued a family card;

x. When about 10 workers demand work, new project can be started by the block level officer for providing employment; and

xi. The State Level Coordination Committee of the Rural Development Programme is responsible for the overall supervision, guidance and monitoring of EAS.49

So far the achievements of EAS is concerned, during 1993-94, more than 49.5 million man-days of employment were generated under this scheme. During the financial year 1995-96, 311.06 lakh man-days of employment were generated with an expenditure of Rs. 13,133.80 lakh and 10.08 lakh persons were provided employment. Up to the end of October, 1996, 174.04 lakh man-days of employment had been generated at a cost of Rs. 7,684.45 lakh and 3.19 lakh persons were provided employment

49 Vasant Desai, op., cit., p. 122.
under the scheme. Accordingly, a sum of Rs. 600 lakh was provided for the purpose.\textsuperscript{50}

From 1\textsuperscript{st} April, 1999, the scheme was integrated in to JGSY.

Jawahar Gram Samridhi Yojana (JGSY)

The JGSY is the restructured, streamlined and comprehensive version of erstwhile JRY. The three wage employment programmes i.e. JRY, IAY and EAS were integrated into JGSY in 1999 to implement at the village level by village panchayats to develop rural infrastructure. The scheme was implemented on 1\textsuperscript{st} April, 1999, throughout the country in all the village panchayats except UTs of Delhi and Chandigarh. The scheme was a centrally sponsored scheme on a cost sharing ratio of 75:25 between the Centre and the States. In fact, the scheme was designed to improve the quality of the life of the rural people by providing them additional gainful employment. The scheme aims at generating demand driven village infrastructure including durable community assets to enable the rural poor to increase the opportunities for sustained employment while the secondary objective was to generate supplementary employment for the unemployed poor in rural areas.

The principal features of JGSY are:

a. DRDA/Zilla Parishad will release funds including state’s matching share directly to village panchayats. Emphasis is on creation of durable assets at the village level. Government will suitably relax the condition of maintenance of wage-material ratio of 60:40;

b. As JGSY is implemented at the village panchayat level, 22.5 per cent of funds will continue to be earmarked for individual beneficiary schemes of SCs/STs at all the three levels of panchayati raj institutions;

c. The village panchayats will have power to sanction works/schemes up to Rs.20,000;

d. Village panchayats are permitted to incur (i) administrative expenditure/contingency, and for taking technical consultancy up to Rs. 7,500 or 7.5 per cent of funds, whichever is less in a year, (ii) maintenance of expenditure up to 15 per cent of funds in a year;

\textsuperscript{50} Basanti Das, \textit{op. cit.}, p. 45.
e. Wages under JGSY will either be minimum wages as notified by the States or higher wages fixed by States through the procedure prescribed by the State governments;

f. Allocation of funds under JGSY will be made on the basis of actual population of the village panchayat; and

g. There is no separate provision for innovative and special projects under JGSY, unlike JRY. They form part of JGSY.  

During 2000-01, with a central allocation of Rs. 1,650 crore, 88.5 million man-days of employment were generated under the scheme. In September, 2001, the scheme was merged with Sampoorna Grameen Rozgar Yojana (SGRY).

**Sampoorna Grameen Rozgar Yojana (SGRY)**

To provide a greater thrust to additional wage employment, infrastructural development and food security in the rural areas, the aforesaid wage employment programmes of JGSY and EAS have been fully integrated into a single massive programme called Sampoorna Grameen Rozgar Yojana (SGRY) with an annual outlay of Rs. 10,000 crore. The scheme was launched on September 25, 2001, with the objective of providing additional wage employment in the rural areas.

The SGRY implemented in the country with the following objectives:

a. The primary objective of the scheme is to provide additional wage employment in the rural areas and thereby provide food security and improve nutritional levels.

b. The secondary objective is the creation of durable community, social and economic assets and infrastructural development in rural areas.

The salient features of SGRY are:

a. The SGRY is a Centrally Sponsored Scheme (CSS) is being implemented with the total outlay of Rs. 10,000 crore;

b. Under the scheme, 50 lakh tonnes of food grains amounting to about Rs. 5,000 crore is being provided every year, free of cost, to the State Governments and Union Territories (UTs);

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51 I. Satya Sundaram, *op. cit.*, p. 239.

c. Rs. 5,000 crore has been kept to meet the cash component of wages and material cost;

d. The cost of the cash component of the programme is shared by the Central and the States in the ratio of 75:25;

e. The payment of food grains is to be made by the MoRD to the Food Corporation of India (FCI) directly;

f. About 100 crore man-days of employment are envisaged to be generated every year in rural areas through the SGRY;

g. Every worker seeking employment under the SGRY will be provided minimum 5 kgs. of food grains (in kind) per man-day as part of wage;

h. The balance of wages will be paid in cash so that they are assured of the notified minimum wages;

i. The State Government and UT Administrations will be free to calculate the cost of food grains at either BPL rates or Above Poverty Line (APL) rates or anywhere between these two rates; and

j. Panchayati Raj Institutions can take up works as per the felt need of the areas.\textsuperscript{53}

The scheme envisages generation of 100 crore man-days of employment in a financial year. The SGRY targeted all rural poor who are in need of wage employment and desire to do manual and unskilled work in and around his village/habitat. The programme is self-targeting in nature. While providing wage employment, preference will be given to agricultural wage earners, non-agricultural unskilled wage earners, marginal farmers, women, members of Scheduled Castes and Scheduled Tribes and parents of handicapped children or adult children of handicapped parents who are desirous of working for wage employment.\textsuperscript{54}

Under the SGRY, during 2002-03, an amount of Rs. 3,684.64 crore as cash component and about 45.26 lakh tonnes of food grains have been released to the States and UTs. During 2003-04, an outlay of Rs. 2661.55 crore against the allocation of 45 lakh tonnes has been released under the scheme.

In 2004-05, 82.23 crore person-days were generated with the centre releasing Rs. 4496 crore as cash component and about 50 lakh tonnes of food grains to the States and UTs. In 2005-06, the number of person-days generated under SGRY was 48.75 crore.

\textsuperscript{53} Vasant Desai, \textit{op. cit.}, pp. 129-130.

\textsuperscript{54} P. Gopinadhan Pillai, \textit{op. cit.}, p. 137.
while the country’s contributions in terms of the cash and food grains components up to January, 2006 were Rs. 4651 crore and 35 lakh tonnes, respectively. The programme was entirely merged in NREGS with effect from 1st April, 2008.

National Food For Work Programme (NFFWP)

On November 14, 2004, the NFFWP was launched in 150 most backward districts of the country, identified by the Planning Commission in consultation with the MoRD and the State Government. The NFFWP was a 100 per cent centrally funded scheme which promised to provide 100 days of work to every person below poverty line.

The primary objective of the programme is to provide additional resources available under the SGRY to the most backward districts of the country so that generation of supplementary wage employment and providing of food security through creation of need based economic, social and community assets in these districts is further intensified. The scheme focuses mostly on water conservation, drought proofing including afforestation and tree plantation, land development, flood control and rural connectivity in terms of all-weather roads and other productive works for ensuring economic development.

In 2004-05, the allocation of funds under NFFWP was Rs. 2,020 crore and 20 lakh tonnes of food grains and 7.85 crore person-days of employment were generated. During 2005-06, under the NFFWP, 1805.19 lakh man-days have been generated against the utilization of Rs. 1160.83 crore (as on December, 2005). Since inception, 2,590.37 man-days have been generated with utilization of Rs. 1,730.57 crore under the NFFWP. From 2nd February, 2006, the programme was merged with NREGS.

National Rural Employment Guarantee Scheme (NREGS)

From time to time, the poverty alleviation and employment generation programmes in India have been restructured and redesigned with a view to producing employment and income. Therefore, the two on-going wage employment programmes namely SGRY and NFFWP have been clubbed and the NREGS, a unique wage employment programme was launched on 2nd February, 2006. On 2nd October, 2009, the scheme has been renamed as Mahatma Gandhi National Rural Employment Guarantee

55 I. Satya Sundaram, op. cit., p. 240.
56 Surendra Swain, “Problems and Prospects of Rural Employment Programmes for Economic Development of Rural India,” in Gyanindra Dash and Rajan Kumar Sahoo (eds), op. cit., p. 83.
Scheme (MGNREGS). In fact, the scheme was designed as per the NREGA – 2005 which confers a legal right to employment on the rural poor. The NREGS is a landmark in the economic history of independent India which seeks to provide one hundred days of wage employment to every rural household in a financial year whose adult members volunteer to do unskilled manual labour at a statutory minimum wage. Initially starting from 200 most backward districts, the scheme was extended to the whole country (except Jammu and Kashmir) within 1st April, 2008.

The primary objective of NREGS is to ensure livelihood security of the people in the rural areas by generating guaranteed wage employment opportunities through works which increases purchasing power of the poor rural families. Besides, this work guarantee scheme also serves other objectives such as generating durable productive assets, protecting the environment, empowering rural women, reducing rural-urban migration and fostering equality among others.\(^{57}\)

During the first phase of implementation (2006-07), the NREGS was implemented in 200 most backward districts having high ST and SC population and a sum of Rs.17.00 million spent and around 137 million people were expected to benefit under the scheme. During 2006-07, NREGS provided employment generation to 2.10 crore rural households creating 90.50 crore person-days, on which more than 60 per cent share was of ST and SC groups and 40 per cent of women. With due focus on creating durable assets, 8.00 lakh works were taken up, of which 54 per cent pertained to water conservation and water harvesting.\(^{58}\) An average 44 person-days of work was generated and 22 lakh people got 100 days of employment during the period. This includes water conservation and water harvesting (3.40 lakh), renovation of traditional water bodies (96 thousand), provision of irrigation facility (1.58 lakh), micro-irrigation works (53 thousands), drought proofing (1.13 lakh), flood control and protection (20 thousand), rural connectivity (2.03 lakh) and land development (1.17 lakh).\(^{59}\)

In 2007-08, an additional 130 districts were notified with a budgetary allocation of Rs. 12,000 crore. During 2007-08, NREGS provided employment to 2.54 crore households as against 2.59 crore households demanded for employment during the same period. A total of 84.49 crore person-days of employment have been generated. The

\(^{57}\) *Loc. cit.*


average person-days of employment per household were 33 persons till November, 2007. Nearly 9.47 lakh households availed of 100 days of employment during the same period. A total of 12.07 lakh works were taken up of which 3.64 lakh have been completed and 8.43 lakh works are in progress.\textsuperscript{60}

From 1\textsuperscript{st} April, 2008, the NREGS was implemented in all over the country and had earmarked a total outlay of Rs. 39,100 crore for the scheme. During 2008-09, NREGS provided employment opportunities to more than 4.47 crore households as against 3.39 crore households covered in 2007-08.\textsuperscript{61} A total of 4,49,40,870 rural households were provided jobs under NREGA during 2008-09 across the country but only about 14.48 per cent of them could get 100 days of employment assured under the scheme, according to statistics of the Ministry of Rural Development.\textsuperscript{62}

During 2011-12 financial year, out of the total outlay of Rs. 40,000 crore, 21,471.92 crore has been released to the States and Union Territories, of these 21,124.74 crore has been utilized till January, 2012. About 3.80 crore households have been provided employment under the programme. During the same period, 122.37 crore person-days of employment has been generated across the country out of which 60.45 crore for women (49.40 per cent), 27.27 crore (22.62 per cent) for SCs and 20.97 crore (17.13 per cent) for STs.\textsuperscript{63}

Out of the total outlay of Rs. 33,000 crore approved for the financial year 2012-13, Rs. 25,894.03 crore has been released, Rs. 28,073.51 crore has been utilized and about 4.39 crore households have been provided employment. The total person-days of employment was 156.01 crore of which 82.58 crore (53 per cent) were availed by women, 34.56 crore (22 per cent) by SCs and 24.90 crore (16 per cent) by STs.\textsuperscript{64} With an outlay of Rs. 33,000 crore in 2013-14, the scheme provided 219.72 crore person-days of employment to 4.78 crore households with an average wage employment of 46 person-days. The share of women, SC, and ST person-days in this period was 53 per cent, 23 per cent and 17 per cent respectively. At national level, the average wages under the scheme has increased from Rs. 65 in 2006-07 to Rs. 132 in 2013-14.\textsuperscript{65}

\textsuperscript{60} Ibid.


\textsuperscript{62} State Fail to Provide 100 days Employment, \textit{The Hindu}, August 6, 2009.

\textsuperscript{63} \textit{Economic Survey 2011-12}, op. cit., p. 312.


SECTION-B

The economy of Assam is pre-dominantly agrarian. Assam is an agriculture-intensive state where more than 87 per cent of the population inhabits in rural areas about 26,395 villages. Agriculture provides not only food grains to the State but also employment opportunities to a large extent. Agriculture and its allied activities has paramount importance in the State as this sector is the major contributor to the State economy as well as providing livelihood to a very large proportion of the population. About 75 per cent of the population is getting their means of livelihood from agricultural sector. Agriculture accounts more than one-third of State’s income and about 69 per cent of the total working force in the State is engaged either directly or indirectly in this sector. On the other hand, the contribution of this sector to the State’s income has been falling sharply over time, from 50 per cent in 1977-78 to 47.5 per cent in 1980-81 and 40.7 per cent in 2001-02. In 2004-05, the share of agriculture and allied sector was 26 per cent, industry 27 per cent and service sector was 47 per cent. In 2010-11, the share of agriculture and allied sector, industrial sector and service sector to the State income was 22.8 per cent, 22.1 per cent and 55.0 per cent respectively.\(^6\)

However, though agriculture is the primary source of occupation of the rural population, this sector in Assam has not developed sufficiently. Agriculture in Assam exhibits most of the characteristics of underdeveloped agriculture, namely, a high dependence on agriculture for livelihood, widespread practice of traditional farming techniques and correspondingly low usage of modern farm inputs, low levels and low growth in productivity and incomes in the sector, widespread prevalence of subsistence cultivation, inadequate agricultural infrastructure, and so on. Though this is natural when economic development occurs, in Assam this has come about despite the slow overall economic growth in the State. Even though the State is richly endowed in natural resources, such as abundant rainfall, alluvial soil, rich and diverse plant and animal genetic base, development of agriculture in Assam has been slow over the decades. Consequently, the State is not just lagging behind most others in the country but is unable to meet its own requirements in many agricultural commodities. The agricultural productivity in the State still remains stagnant and deplorable condition. It is because of

the application of age old and traditional techniques, continuous sub-division and fragmentation of agricultural land due to increase of population and break down of joint families resulted in increasing excessive pressure on agriculture, the continuous encroachment of agricultural land by rising population are the major causes of low agricultural productivity in Assam. In due course of time agriculture failed to provide sufficient employment to rural masses and unable to sustain the excessive population pressure. Consequently, the living condition of vast number of rural people of Assam is becoming poorer leading to increase of poverty, unemployment, ridden, illiterate and lack of skill needs support to earn.

The problem of growing unemployment continued to a matter of great concern for Assam. In spite of having huge developmental potentialities, the State's economy still largely remains backward and underdeveloped. Assam is rich in natural resources. However, natural resources have not yet been thoroughly exploited. Against the backdrop of increasing poverty, slow pace of economic development and very high rate of population growth, the unemployment problem has assumed chronic and complex character. But appropriate and reliable data for the estimation of the extent of unemployment is not available in Assam. Besides, till the end of Third Five Year Plan, no real attempt was made to define an independent employment strategy. Therefore, the problem of unemployment has been aggravated plan after plan in Assam. In fact, it could be understood from the number of job seekers registered in the employment exchanges. The increase of job seekers during the Third Five Year Plan was 145 per cent in Assam as against 58.2 per cent in India as a whole. The First and Second Plan could generate only 1.96 lakhs of employment. The Third Plan had to start with an estimated back log of 1.17 lakhs on unemployed persons but ended with a total back log of 3.23 lakhs of job seekers. The Fourth Plan could not do much in reducing the severity of the problem of unemployment in Assam. The annual average number of persons seeking jobs through the employment exchange in Assam during the period 1970-74 was 91,430 as against this, the annual average number of placements effected was only 6415, i.e. 7 per cent of the total job seekers. The number of job seekers registered in employment exchanges was 1.9 lakhs in 1975 which increased sharply to 3.7 lakhs in 1981 and 4.0 lakhs in 1982. The increase in the number of job seekers in 1982 was thus 8 per cent over 1981 and 113 per cent over 1975.67

During the beginning of new millennium, the number of unemployed as per Live Register alarmingly jumped to 16,31,216 in 2004 and 17,63,430 in 2005. During 2006, the number of unemployed stood at 18,27,149 which increased to 19,21,563 in 2007 and 20,06,389 in 2008. According to the records of the Employment Exchanges of Assam, the total job seekers in the Live Register recorded fall during 2010 with 19,11,431 numbers compared to 20,79,558 numbers in 2009.\(^{68}\) This may perhaps be due to non-renewal of registration by the job-seekers or non-reporting by the job-seekers about their engagement in services. On the other hand, the annual average number of placements effected as in percentage of total number of job seekers (registered) was not more than only 0.3 per cent up to the end of 2010. It was 0.02 per cent in 2004 which decreased to 0.01 per cent in 2005. The annual average number of placements was 0.3 per cent during the year ranged between 2006-08 which decreased to 0.02 per cent during 2009 and 2010. Thus, the size of the educated job seekers is considerably high, which is a challenge to the growing economy of the State.

Notwithstanding efforts made through successive State plans for generation of greater employment potential, the gap between gainful employment opportunities and fast growing labour force has continued to widen. Unemployment is, no doubt, a national problem in India but the problem has assumed greater significance in Assam due to economic backwardness of the State. Further, the incidence of unemployment is more pronounced in the rural areas since it characterized by under-employment or seasonal unemployment.\(^{69}\)

Side by side, a large proportion of State’s poor are living in chronic poverty. Low per capita income, chronic unemployment, population explosion, inappropriate technology, inflation, capital deficiency etc. are some of the major causes of growing poverty in Assam. Since 1973-74, the incidence of poverty in Assam showed a declining trend. Urban poverty declined in a smooth and remarkable way, whereas rural poverty has some ups and downs. During 1973-74, the percentage of poor in Assam was 51.23 per cent (81.87 lakhs) comprising 52.67 per cent in rural areas and 37.16 per cent in urban areas. The percentage of BPL in the State rose to 57.63 per cent (104.25 lakhs) in 1977-78 and the rural-urban composition of BPL was 59.82 per cent and 37.58 per cent respectively in the reference period. Gradually, the incident of poverty in the State was

\(^{68}\) Economic Survey Assam 2011-12, op. cit., p. 201.

\(^{69}\) P.K. Dhar, 1988, op. cit., p. 249.
declined from 40.86 per cent (42.60 per cent in rural and 26.38 per cent in urban) in 1983 to 36.21 per cent (39.35 per cent rural while 9.94 per cent urban) in 1987-88. Again, it increased to 40.86 per cent comprising 45.01 per cent in rural areas and 7.73 per cent in urban areas in 1993-94 which declined to 36.09 per cent (40.04 per cent rural and 7.47 per cent urban) in 1999-2000.\textsuperscript{70}

As per Tendulkar Committee (Prof. Suresh D. Tendulkar set up by the Planning Commission) statistics, overall 34.4 per cent (97.7 lakhs) of the total population of Assam was BPL, with 91.50 per cent (89.4 lakhs) in rural areas and 8.50 per cent (8.3 lakhs) in urban areas being categorized in the segment in 2004-05. Thus, Assam’s percentage of population in the BPL segment is the third highest among the seven North-Eastern States. Among all the 35 States and Union Territories across India, Assam has the eighth highest proportion of population in the BPL segment, percentage wise.\textsuperscript{71}

Assam has experienced turbulent political scenario for more than a decade (particularly the 80s and the 90s), thus in the recent past the process of developmental interventions in many sectors has been slow and inconsistent. With political normalcy restored since the past few years and improvements in the State’s exchequer, investments and developmental interventions have experienced improvements. However, the State continues to be marked by low agricultural productivity, poor infrastructure, weak communications and nascent levels of industrial activity. The growth of the national economy since the mid nineties has not really percolated to North East Region (NER) in general and Assam in particular. Being delinked from the national growth spectrum, the need for enhanced governmental interventions in socio-economic development in the State has been recognized as a necessity. High poverty levels are synonymous with poor quality of life, deprivation, malnutrition, illiteracy and low human resource development. Therefore, the eradication of poverty and unemployment has been an integral component of the strategy for economic development in Assam.

Thus, under such a situation, employment generation in rural areas becomes one of the major priorities drawing the greater attention of the governments and economic planners of the State. Keeping this objective in mind, right from the inception of Five

\begin{footnotesize}
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\item \textsuperscript{70} http://www.indiastat.com (Planning Commission estimates based on Expert Group methodology).
\item \textsuperscript{71} The Assam Tribune, July 27, 2013.
\end{itemize}
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Year Plan, the Government of Assam has implemented both self-employment as well as wage-employment programmes with a lot of enthusiasm and initiatives for the amelioration of galloping rural unemployment. The self-employment programmes have been implemented for the rural unemployed living below poverty line under which self-employment is provided through bank loan and subsidy after selecting the interested rural youths providing training etc. Under this stream, the programmes like IRDP, DWCRA, TRYSEM, SGSY, PMRY etc. have been implemented while the NREP introduced during 6th Plan have undergone several round of modifications to JRY, EAS, JGSY, SGRY and finally NREGS in 11th Plan have been implemented under wage-employment schemes in order to remove rural poverty and unemployment. All these programmes were implemented for giving wage employment opportunities to the rural poor during their lean agricultural season when they require wage employment for boosting their purchasing power to supplement their income requirement for livelihood. The major centrally sponsored rural employment generation programmes which are being implemented in the State of Assam are analyzed below:

### Integrated Rural Development Programme (IRDP)

The IRDP, as a centrally sponsored scheme, was introduced in Assam on 2nd October, 1980 along with the other States of the country. The programme was implemented to create additional employment generation and raising of incomes of all the poor families who live below poverty line (families of about five persons with an annual income below Rs. 3,500) with the financial assistance of the Central Government and the State Governments on 50:50 basis. The main objective of the programme is to provide financial assistance to the identified rural poor families for taking up income generating activities in the primary, secondary and tertiary sector of the rural economy. The programme was implemented through DRDA at the district level.

Since its inception, the total families assisted under IRDP were 46,416 during 1991-92 which rose to 63,381 in 1993-94. During 1998-99, the number of persons assisted by the programme was 47,585 as compared to 39,585 persons during 1997-98. The beneficiaries during 1998-99 included 11,477 small farmers, 18,040 marginal farmers, 11,145 agricultural labourers and 6,602 rural artisans. The volume of credit and subsidy disbursement for implementation of the scheme was Rs. 19.74 crore and Rs. 11.42 crore respectively in 1991-92 gradually rose to Rs. 35.62 crore and Rs. 21.31 crore
respectively during 1994-95 and finally rose to Rs. 39.64 crore and Rs. 22.87 crore respectively in 1998-99. From 1st April, 1999, the programme was merged with SGSY as a new self-employment programme.

Training of Rural Youth for Self-Employment (TRYSEM)

The national scheme of TRYSEM was a programme for generating self-employment opportunities by imparting training to the rural youths in various trades and skills. In Assam, the scheme as a supporting component of IRDP was launched during the financial year 1979-80, altogether 4,253 rural youths comprising 418 SC and 1075 ST youths were trained in the State under the scheme in different vocations during 1981-82 as against 1,695 youths trained in 1980-81. Out of 4,253 trained youths in 1981-82, only 1049 were self-employed. During 1989-90, altogether 5,055 rural youths were trained under TRYSEM in Assam in different trades and vocations as against 8,681 trained during 1988-89. In 1991-92, it rose to 9,152 as against the target of 10,000 youths. However, in comparison to the number of youths trained, the number of trained youths self-employed was not much encouraging as during 1991-92, the number of trained youths stood at 2830 which was far below the target.

During 1993-94, under TRYSEM 9,249 number of youths was trained as against the target of 8,050 youths and thereby 114.8 per cent of the target was realized. In this year, 2,066 youths were self-employed. Again, a total of 10,317 youths were trained in various trades and vocations during 1995-96 and the total financial allocation was aggregated to Rs. 225.40 lakh during the aforesaid year.

Moreover, during 1997-98, the number of youths trained under TRYSEM was 7302 as against the target of 9728 youths and thereby 78.7 per cent of the target was realized. The total trained youths in Assam for self-employment under TRYSEM in different trades and vocations till 1997-98 was 60293. However, a new self-employment programme called SGSY was launched from 1st April, 1999 incorporating with erstwhile TRYSEM.

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Development of Women and Children in Rural Areas (DWCRA)

The DWCRA was started in Assam in the year 1982-83 in order to provide self-employment on a sustained basis to the rural women below poverty line. The objective of the programme is to provide women members of rural families below poverty line with opportunity of self-employment on a sustained basis. Under this scheme income generating activities were taken by formation of groups of 10 - 15 women belonging to identified rural families.

During 1995-96, a total 856 groups of women were formed in Assam, out of which 635 groups were engaged in economic activities, which involved an expenditure of about Rs. 193.38 lakh during the year as compared to that of 934 groups of women formed in 1993-94. During 1998-99, against the target group of 4454, a total of 2868 groups of women were formed in the State and the percentage of achievement was 64.39 per cent which involved an expenditure of about Rs. 423, 61 lakh. On 1st April, 1999, the DWCRA was integrated with SGSY.

Prime Ministers Rozgar Yojana (PMRY)

The PMRY was implemented in Assam on 2nd October, 1993 along with the other parts of the country. From the financial year 1994-95, the scheme was implemented both in rural as well as urban areas of the State. The scheme aims at providing self-employment to educated unemployed youths in the State in micro enterprises, manufacturing services and business ventures.

During 1993-94, altogether 805 educated unemployed youths in Assam have been selected for training under PMRY. Since 1994-95, the Self-Employment Scheme for Educated Unemployed Youths (SEEPUY) was included in PMRY. Educated youths of both rural and urban areas were benefited from this scheme. Women entrepreneurs were also getting preference under this scheme.

The scheme was implemented through District Industries Centers of the State. Any person between the age group of 18 to 35 years with minimum educational qualification of VIII standard and whose family income is not more than Rs. 24,000 per annum is eligible for assistance under this scheme. The amount to be contributed as margin money was 5 per cent of the total project money. The balance would be sanctioned as loan by the banks. During the year 1997-98 under PMRY, Rs. 93.65 crore

was sanctioned to 12,721 numbers of beneficiaries in the State. Total number of beneficiaries under PMRY in the State till 1997-98 was 43,051 persons.

In 2004-05, loan sanctioned to unemployed youths was 12,683 as compared to 10,187 numbers in 2003-04. During 2005-06, under PMRY 10,549 numbers of unemployed youths were sanctioned loans amounting to Rs. 8,965.96 lakh as against its target of 15,000 numbers.\(^7\) On 31\(^{st}\) March, 2008, the PMRY was integrated into Pradhan Mantri Employment Generation Programme (PMEGP).

\textbf{Swarnajayanti Gram Swarojgar Yojana (SGSY)}

The SGSY was a holistic programme covering all aspects of self-employment, such as organization of rural poor into SHGs, training, credit technology, infrastructure and marketing. The SGSY was launched in the state on 1\(^{st}\) April, 1999. The scheme was funded by the Central and State Governments at the ratio of 75:25 basis. The principal objective of the scheme is to uplift the economic status of the rural people by providing sustainable income generating activities to the people living below poverty line with bank loan and government subsidy.

During the year 2001-02, an amount of Rs. 2989.44 lakh was incurred and the numbers of individual and group Swarojgaris assisted under SGSY were 6084 and 893 respectively. The percentage of achievement was 57 per cent and 48.06 per cent respectively. The achievements in the year 2000-01 for individual and groups Swarojgaris were 28.38 per cent and 30.83 per cent respectively.

Up to the year 2008-09, 175595 numbers of SHGs have been formed out of which 48673 numbers have taken up economic activities and 117497 numbers were women SHGs of which 8073 numbers have taken up economic activities. Since inception, 136178 numbers of SHGs received revolving fund and 48837 SHGs received bank loan with subsidy. During the year 2008-09, 12468 SHGs covering 136178 members received bank loan with subsidy. Moreover, 6550 individual Swarojgaris received bank loan with subsidy for sustainable income generating activities.\(^7\)

Till the end of the year 2009-10, a total of 208212 SHGs were formed in the State of which 1351123 were women SHGs and 65360 numbers of eligible SHGs have taken up economic activities with bank loan and subsidy. During the year 2009-10,


13673 numbers of SHGs covering 153268 members received bank loan with subsidy. Apart from this, 11455 individual Swarojgaries received bank loan and subsidy for taking up sustainable income generating activities for their livelihood. During the year 2009-10, number of SHGs received bank loan and subsidy was 10 per cent more over the achievements of 2008-09.77

Since inception, 235648 numbers of SHGs were formed under SGSY up to the end of 2010-11. From the year 1999-2000 to 2010-11, 80216 SHGs have been provided with bank loan and subsidy to taken up economic activity. All these SHGs have been taken up self-employment venture under different schemes of Primary, Secondary and Tertiary sectors. The completion period of the schemes were varied from 3 to 5 years. Out of the total 235648 numbers of SHGs, the number of women SHGs formed since 1999-2000 was 150336. The women SHGs were assisted by the interest subsidy from Chief Ministers Special Schemes (CMSS) from time to time. During the year 2010-11, 9592 numbers of women SHGs were provided with interest subsidy @ 5000/- per woman SHGs against 9028 women SHGs during 2009-10.78

Up to 2012-13 financial year, a total 275119 numbers of SHGs were formed of which 186937 were women SHGs. Out of total 186937 numbers of women SHGs in the State, 1106 have taken up economic activities during the reference period. Total fund available for 2012-13 under SGSY in Assam was Rs. 4945.93 lakh as against Rs. 24,363.94 lakh during 2011-12 and total expenditure incurred under the scheme in the State during 2012-13 was Rs. 3059.84 lakh as against Rs. 21627.37 lakh during 2011-12.79 This programme has been modified and merged with National Rural Livelihood Mission (NRLM) from 1st April, 2013.

National Rural Employment Programme (NREP)

The NREP came into operation in Assam in October, 1980 with a view to generating additional gainful employment opportunities to the rural poor and laid a target of generating seasonal employment to the tune of about 80 lakh man-days in 1982-83 against which 41 lakh man-days were generated during the year. During

1981-82, the target and achievements were of the order of 63 lakh and 53 lakh man-days respectively.

Again in 1987-88 and 1988-89, the Government set a target of generating employment to the extent of 40.6 lakh man-days and 55.9 lakh man-days against which 33.8 lakh man-days and 45.77 lakh man-days were generated respectively. Subsequently, the programme was merged with JRY in the financial year 1989-90.

**Jawahar Rozgar Yojana (JRY)**

The JRY was launched in Assam on 28th April, 1989 after merging existing rural wage employment programmes like NREP and RLEGP. The scheme seeks to generate additional gainful employment for the unemployed and under employed men and women in rural areas. The scheme also envisaged creation of viable productive and socio-economic assets so as to improve overall quality of life in the rural areas. The programme is funded on 80:20 basis by the Central and State Governments respectively. The JRY has set a target for reaching every single panchayat and the scheme has made adequate provision of funds for their village panchayats to run its employment scheme for the rural poor. JRY reserved 30 per cent of employment generated particularly for women.

During 1989-90, employment generated under the scheme in Assam was 105 lakh man-days as against the target of 122.6 lakh man-days. In 1991-92 and 1997-98, total numbers of employment generated under JRY were 124.16 lakh and 107.71 lakh man-days respectively as against the target of 114.99 lakh and 109.53 lakh man-days respectively. Thus, in 1991-92 and 1997-98, the percentage of target realized were 108.0 per cent and 98.34 per cent respectively. Moreover, during the period 1989-90 to 1994-95, total length of rural road construction under JRY was about 10.493 km.

During 1997-98, the Panchayat and Rural Development Department (P&RD) had generated 107.69 lakh mandays of employment in the State under the JRY and a sum of Rs. 57 crore was spent during the period. In 1998-99, a total of 198.77 lakh man-days of employment were generated in Assam. From 1st April, 1999, the JRY was restructured and merged with the JGSY.

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Employment Assurance Scheme (EAS)

The EAS was introduced in Assam on 2nd October, 1993 with a commitment of 'assured employment' to the rural poor. The scheme was implemented in the State particularly in the identified backward blocks situated in the drought prone, tribal and hill areas with the objective of providing additional wage employment opportunities through manual work for the rural poor below the poverty line during the lean agricultural season. Besides, the programme aims at creating durable socio-economic community assets for sustaining employment and development.

The volume of employment generated through the scheme in the State during 2001-02 totaled 200.06 lakh man-days as against generation of 183 lakh man-days during 1995-96 and 37.51 lakh man-days during 1993-94. During 1998-99, 259.97 lakh man-days as against 207.76 lakh and 162.38 lakh man-days during 1997-98 and 1996-97 respectively were generated in Assam under the EAS. The scheme was integrated with the JGSY on 1st April, 1999.

Jawahar Gram Samridhi Yojana (JGSY)

The JGSY was implemented from 1st April, 1999, as a restructured programme of JRY. The programme was dedicated entirely to the development of rural infrastructure at village level. The objectives of the programme are to create demand driven community village infrastructure primarily and generation of supplementary employment for the rural unemployed poor. The funding pattern of the programme was 75:25 between the centre and the States. During the year 2001-02, the GoI provided Rs. 13495 lakh along with 15,261 MT rice as central share. During the 2001-02, an amount of Rs. 11,145.93 lakh as cash and 53338 metric tonnes (MT) rice as kind were utilized to generate 206.71 lakh man-days. The achievement during the previous year was 22.38 lakh man-days. The scheme came into an end after introduction of SGRY in the State.

Sampoorna Grameen Rozgar Yojana (SGRY)

The SGRY was launched in Assam on September 25, 2001. The primary objective of the programme is to provide additional wage employment in the rural areas along with food security by creation of durable socio-economic and community assets and infrastructural development. During 10th Plan period, total amount of fund released

under State Plan was Rs. 47329.19 lakh against the total agreed outlay of Rs. 13680.00 lakh. Utilizing the fund along with the central share of Rs. 155066.37 lakh, 2928.9 lakh man-days were created against the target of 1698.07 lakh man-days.\textsuperscript{85} The SGRY was entirely merged with NREGS with effect from 1\textsuperscript{st} April, 2008.

**National Rural Employment Guarantee Scheme (NREGS)**

The NREGS has been implemented since 2\textsuperscript{nd} February, 2006 in 7 districts of Assam as the first phase districts. An additional 6 districts were notified during the financial year 2007-08 and from the financial year 2008-09, all the remaining districts of Assam covered under the NREGS. The main objective of the scheme is to provide one 100 days of guaranteed wage employment opportunities in a financial year to every rural household whose adult members volunteer to do the unskilled manual work.

So far the achievement of NREGS is concerned, it is observed that during 2007-08 to 2010-11, the NREGS could generated 2342.52 lakh person-days of employment out of which 227.58 lakh and 746.99 lakh of employment generated to SC and ST respectively while 1367.95 lakh generated to other communities. Out of the State total 2342.52 lakh, 641.34 lakh person-days of employment was generated for women in the State.\textsuperscript{86} The total number of Job Cards issued under NREGS in Assam was 12517572 out of which 8152489 job cards issued to the other communities while 1285608 and 3079475 issued to SC and ST respectively. The total expenditure incurred under NREGS was Rs. 339555.62 lakh against 470484.11 lakh available funds during the reference period. During 2007-08 to 2010-11, the total households demanded employment under NREGS in Assam was 7550491 out of which 6846211 households provided employment and 465796 households i.e. only 6.80 per cent completed 100 days of employment during 2007-08 to 2010-11.\textsuperscript{87}

During the year 2010-11 along, the number of job card issued and numbers of household provided employment under NREGS was 37.69 lakh and 14.32 lakh respectively. In 2010-11, an amount of Rs. 382.22 crore has been spent for wage under NREGS, against Rs. 637.36 crore during 2009-10.\textsuperscript{88} Under this programme, 39.85 lakh job cards were issued up to the 2012-13 financial year. The total numbers of job cards

\textsuperscript{85} Economic Survey Assam, 2009-10, op. cit., p. 158.
\textsuperscript{86} Compiled from Statistical Hand Book Assam, 2008 to 2011.
\textsuperscript{87} Compiled from Annual Report 2007-08 to 2010-11, Ministry of Rural Development, Government of India, New Delhi
\textsuperscript{88} Ibid.
holders provided employment during 2012-13 were 12.35 lakh as against 13.53 lakh numbers of job cards holders. A total 9807 numbers of households completed 100 days of wage employment up to 2012-13 and the number of disabled persons provided employment under the scheme was 2239. Up to 2012-13, a total of 313.42 lakh person-days were generated of which the person-days of employment generated for SC, ST and women were 18.80 lakh, 64.96 lakh and 81.48 lakh respectively.\(^8^9\)

**Conclusion**

Thus, it is drawn from the analysis that rural employment generation acquires one of the high priorities in development planning of the country. The successive Five Year Plans have articulated the goals, strategy and logistics of rural employment in the country. It is seen that since the inception of Five Year Plans, the GoI has made a sincere effort in implementation of various RDPs in order to develop the socio-economic conditions of the rural people.

There is no denying the fact that employment generating programmes can stimulate economic development. Right from the inception of Five Year Plan, it was believed that higher economic growth would automatically trickle down to the rural masses and create large employment opportunities. Consequently, no specific employment generation programme was initiated till the end of Third Five Year Plan. Since Fourth Plan both self-employment and wage-employment programmes have been implemented to eradicate rural unemployment. Keeping the high magnitude of poverty and unemployment in view, the GoI with the help of State Governments has implemented both anti-poverty and employment generation programmes to tackle the problem of poverty and unemployment. Under self-employment programmes, SFDA, MFAL, IRDP, TRYSEM, DWCRA, PMRY and SGSY have implemented. Besides, DPAP, FWP, NERP, RLEG, JRY, EAS, JGSY, SGRY, NFFWP and lately NREGS have implemented in order to provide greater thrust to additional wage-employment to the rural poor.

Thus, there has been planning for multi-dimensional development of rural areas in India in general and Assam in particular since the beginning of planning era after independence. For uplifting the quality of life of rural people so many schemes have

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\(^8^9\) *Economic Survey Assam, 2013-14, op. cit., p. 240.*
been sponsored both by the Central as well as the State Government. The Panchayat & Rural Development (P&RD) Department, Government of Assam executes mostly the employment generation and poverty alleviation programmes along with some co-related schemes covering the rural and the urban areas which directly help in the development of quality of life both in urban and rural.

However, in spite of implementation of so many employment generation programmes in the country, the achievement in the field of employment generation is not satisfactory and the result is not up to the mark. The objectives achieved and benefit accrued under each of the programmes was not as expected due to variety of reasons. Most significant reason can be attributed to utter lack of involvement and participation of local people, for whom these programmes were evolved, in the matter of planning, implementation, monitoring-cum-concurrent evaluation. The top-down approach was the real culprit in this regard. In fact, all programmes were planned and implemented by the government agencies such as DRDA and BDO. But it has been generally alleged that the government officials are not sincere in the implementation of various EGPs. It appears that various anti-poverty and employment generation programmes have failed to eradicate rural poverty and unemployment. The result is not up to the mark and failed to change the face of the villages. The benefits of the programmes could not reach the deserving and the needy persons. They have only been the objects of these programmes, but the socio-economically and politically dominant classes of rural community have grabbed almost all the benefits derived out of the various EGPs. Further, these programmes could neither provide guarantee for regular employment, nor durable community assets could be created leading towards sustainable rural development.

The success of any development programme depends upon the active participation of the targeted people in planning, implementation and concurrent evaluation. Without their active participation, the rural development will remain incomplete. In fact, this task is a very complex one and requires the co-operation of all sections of society i.e. political parties, non-government organizations (NGOs), voluntary organizations, Self-Help Groups (SHGs) and impartial social audit.