# Assets created by National Rural Employment Guarantee Scheme in Dharwad taluka of Karnataka 

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#### Abstract

The wage employment programmes have been an important component of the antipoverty strategy of the Government of India. A typical feature of the employment programmes of the Government was that jobs created under the schemes were not permanent in nature. Government of India created a historic story by enacting the National Rural Employment Guarantee Act in 2005. This scheme plays a dual role in providing wage employment duringt slack periods and using this opportunity to create durable rural assets at the village level by harnessing the local manpower. In trying to gauge the assets created, the present study was conducted on 270 beneficiaries of National Rural Employment Guarantee Scheme of five villages of Dharwad Taluka of Karnataka. A list of assets created in the community was prepared namely digging of new tanks, ponds, percolation tanks, land leveling and tree planting, rural connectivity, flood control and protection, water conservation and harvesting, construction of school compounds and panchayat buildings, afforestation and the beneficiaries were asked to rank the assets based on their usefulness to the community. Based on ranks assigned Gareet ranking test was applied. The findings revealed that assets created in the study villages greatly contributed to the development of the villages.


## Introduction

The world's largest number of poor resides in India which is home to almost $1 / 3^{\text {rd }}$ the world's population. It is estimated that 28 per cent of the total population of the country live Below Poverty Line (BPL) of which 75 per cent are said to be in the rural areas. Overcoming poverty is therefore the biggest challenge in India's development efforts. It has been a mammoth task to achieve a positive change in the quality of life of its teeming millions. Poverty being a complex issue besides primarily being a rural phenomenon, it has not been possible to tackle this issue through a single poverty alleviation programme.

The wage employment programmes have been an important component of the anti- poverty strategy of the Government of India. These programmes provide employment opportunities during lean agricultural seasons as well as in
times of floods, drought and other natural calamities. They create rural infrastructure which supports further economic activity. Although schemes like National Rural Employment Programme (NREP) and Rural Landless Employment Programme (RLEP), Jawahar Rojgar Yojana (JRY) and Employment Assurance Scheme (EAS) launched by the government from time to time provided relief to rural population, they never guaranteed employment to every household in the village. They were just allocation based programmes. A typical feature of these schemes was that none of the jobs were permanent in nature, they were all short term casual jobs, usually for a period of hundred days or more. Job opportunities created by these schemes and programmes acted just as a supplement to the rural house income and in most of the circumstances they failed to ensure the basic amenities of life for a rural family in a sustainable manner.

Taking into consideration the limitation of earlier rural
employment schemes the Government of India created a historic story by enacting the National Rural Employment Guarantee Act (NREGA), which is perhaps the largest employment generating programme in the world ensuring the right to work in a country with a population of over a billion. This scheme plays a dual role of providing wage employment during slack periods and using this opportunity to create durable rural assets at the village level by harnessing the local manpower.

Studies on National Rural Employment Guarantee Scheme by Bannerjee (2009) in Andaman and Nicobar, Dutta (2009) in West Bengal and Roy (2009) in Tripura reported that the assets created included construction of footpaths, proper drainage system in water logging areas, small check dams, digging of ponds, wells, renovation of tradition tanks and ponds, land development for socially useful purposes, and road construction for rural connectivity. These assets have been of great help to the community.

The study on the assets created in Dharwad villages was taken up with objectives, to know the socio-personal characteristics of beneficiaries and non-beneficiaries, to assess the knowledge and attitude of NREGS among rural people and to document the community assets created and preferences for the same in the selected villages.

## Methods

The study was conducted in Dharwad taluk of Karnataka state during the year 2010-2011. Five villages from Dharwad taluk namely, Halligeri,Uppinbetegeri, Mugad, Narendra and Hebballi were randomly selected for the study. Sample for the study was selected by the multistage sampling method.In the first stage, five villages from five Panchayats were randomly selected based on the good performance of the programme as per the official records. Further the number of registered households was obtained from the official NREGA records of Dharwad district and Dharwad taluka. From these registered households 270 beneficiaries were again randomly selected. The respondents were equally drawn from the five villages

Based on objectives of the study, a structured interview schedule was developed to elicit the relevant information from respondents. The data were collected by the personal interview method from the selected respondents. A list of the assets created in the community was prepared and the beneficiaries were asked to rank the assets based on their usefulness to the community. Based on the ranks assigned, Garret Ranking test was applied.

## Observations and Analysis

Personal and socio- economic profile of the respondents is presented in Table 1. The data showed that majority of the beneficiaries belonged to middle age group ( $54.8 \%$ ) followed by young ( $33.70 \%$ ) and old ( $11.50 \%$ ) and nearly 72 per cent of

| Table 1 : Personal and socio- economic characteristics of beneficiaries ( $\mathrm{n}=270$ ) |  |  |
| :---: | :---: | :---: |
| Demographic variables | Beneficiaries |  |
|  | Frequency | Percentage |
| Age(years) |  |  |
| Young (18-30) | 91 | 33.70 |
| Middle (31-50) | 148 | 54.80 |
| Old (above 50) | 31 | 11.50 |
| Gender |  |  |
| Male | 195 | 72.20 |
| Female | 75 | 27.80 |
| Caste |  |  |
| SC/ST | 112 | 41.50 |
| OBC | 99 | 36.70 |
| Upper caste | 59 | 21.80 |
| Education |  |  |
| Illiterate | 124 | 45.90 |
| Primary School | 121 | 44.90 |
| High School | 23 | 8.50 |
| Higher Secondary | 02 | 0.70 |
| Occupation |  |  |
| Labour | 241 | 89.25 |
| Agriculture | 29 | 10.75 |
| Any other | - | - |
| Family income |  |  |
| (Per month) |  |  |
| 1000-3000 | 153 | 56.70 |
| 3100-6000 | 98 | 36.30 |
| 6100-9000 | 13 | 4.80 |
| Above 9000 | 06 | 2.20 |
| Size of land |  |  |
| Landless | 197 | 73.00 |
| Up to 2.5 acres | 70 | 25.90 |
| 2.51-5 acres | 03 | 1.10 |
| 5-10 acres | - | - |

them were male. Regarding the caste composition data showed that majority of the beneficiaries belonged to SC/ST (41.50\%) followed by OBC $(36.70 \%)$ and upper caste $(21.80 \%)$. When data were classified based on their education it was seen that the percentages of illiterates was as high as 45.90 per cent primary education was received by 44.90 per cent where as only 9.00 per cent had High School education. A negligible per cent $(0.7 \%)$ education was of higher secondary and above.

Majority ( $89.25 \%$ ) of the beneficiaries were labourers (main occupation) followed by agriculture as a subsidiary occupation ( $10.75 \%$ ). About 57 per cent per cent of the beneficiaries had income level Rs.1000-3000 about 36.30 per cent had income level ranging from Rs.3100-6000 and only 4.80 per cent of the beneficiaries had income level 6100-9000. Majority of the
beneficiaries were landless that is 73 per cent marginal farm size (up to 2.5 acres) was seen in 25.90 in beneficiaries About one per cent of beneficiaries had small farm size ( 2.51 to 5.00 acres). None of the respondents possessed more than five acres of land.

The data in Table 1 show that majority of the beneficiary respondents were male (72.20), middle aged (31-50 years) and either illiterate or less educated. Most of them were landless labourers belonging to schedule caste/tribes.

The NREGS is an employment generation programme wherein those willing to do unskilled manual work are given employment. It is therefore obvious that able bodied men in the age group of 31-50 years have registered for the programme. Since it is manual work, many agricultural labourers were willing to do work under the programme. Members from landed families often hesitate to do such jobs as they consider that it would lower their status in the society. With regard to gender and caste categories, the scheme envisages that there should be at least $1 / 3^{\text {rd }}$ women and $1 / 3^{\text {rd }}$ of SC/ST beneficiaries. The findings are almost on par with the mandates of the programme. The
nature of the work itself is suitable for the illiterate and less educated labourers and so, most of the beneficiaries who have registered for the programme are illiterate and less educated.

From Table 2 it could be clearly observed that cent per cent of the beneficiaries had knowledge about certain aspects of the programme like, NREGA provides for legal guarantee of employment, 100 days of employment, work to be given to those who have registered and that it is meant to improve community assets. A very high per cent (above $95.00 \%$ ) were aware that, half of the stipulated work force is to be women, it is a central government scheme, the payment is based on prevailing wage rates and that it improved the purchasing power of rural people.

However, 97 per cent of the beneficiaries did not know that only adult members are given work. About 70-80 per cent beneficiaries do not know that crèche facility is to be provided to women and that they can demand for the type of work. About 25-30 per cent beneficiaries had no knowledge about the calculation of unemployment allowance and provision of unemployment allowance if employment not provided within

| Table 2: Knowledge of beneficiaries about NREGS |  | ( $\mathrm{n}=270$ ) |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Sr. | Statements |  | eneficiaries |  |
| No. |  | Yes | No | Index |
| 1. | NREGS provides for legal guarantee of employment | 270 (100) | - | 100 |
| 2. | It provides 100 days of employment | 270 (100) | - | 100 |
| 3. | Fifty per cent of the stipulated work force is to be women | 268 (99.25) | 02 (0.25) | 99.62 |
| 4. | Only adult members are given work | 08 (2.96) | 262 (97.04) | 51.48 |
| 5. | All those who register have to be given work | 270 (100) | - | 100 |
| 6. | This scheme is a central government funded scheme | 268 (99.25) | 02 (0.75) | 99.62 |
| 7. | Minimum wage of at least rupees 60 is to be paid to the beneficiaries | 270 (100) | - | 100 |
| 8. | Actual payment is based on prevailing rates | 254 (94.07) | 16 (5.93) | 97.03 |
| 9. | After application employment has to be provide within 15 days | 253 (93.70) | 17 (6.30) | 96.85 |
| 10. | If employment is not provided within 15 days, unemployment allowance will be paid | 195 (72.22) | 75 (27.78) | 86.11 |
| 11. | The calculation of unemployment allowance that is not less than the minimum wage for the 30 days and not less than half the minimum wage after that | 186 (68.88) | 84 (31.12) | 84.44 |
| 12. | The act was introduced to improve purchasing power of rural people | 267 (98.88) | 03 (1.12) | 99.44 |
| 13. | The programme is meant to improve the community assets | 270 (100) | - | 100 |
| 14. | Anybody rich or poor willing to do semi -unskilled work in rural can work | 268 (99.25) | 02 (0.75) | 99.62 |
| 15. | Do you know procedure to get a job card? | 264 (97.77) | 06 (2.23) | 98.88 |
| 16. | Application for the work to be given to Panchayat/programme office | 270 (100) | - | 100 |
| 17. | Letter providing employment will be sent to the applicant and also displayed at the Panchayat office | 269 (99.62) | 01 (0.38) | 99.81 |
| 18. | Provision of employment should be provided within radius of 5 km ' | 269 (99.62) | 01 (0.38) | 99.81 |
| 19. | If work is beyond 5 km transport allowance and 10 per cent extra living allowance will be paid | 262 (97.03) | 08 (2.97) | 98.51 |
| 20. | No discrimination between the wages of men and women. | 261 (96.66) | 09 (3.34) | 98.33 |
| 21. | Crèche facility is provided to women. | 41 (15.18) | 229 (84.82) | 42.40 |
| 22. | You can demand for the type of work | 68 (25.18) | 202 (74.82) | 62.59 |
| 23. | Social auditing is an integral part of NREGS | 186 (68.88) | 84 (31.12) | 84.44 |

Figures in the parentheses indicate percentage Overall index (Beneficiaries) 91.26

15 days.
Having registered for the programme, the beneficiaries have made efforts to know the benefit and shortcoming of the programme. In addition to their own efforts, the concerned Panchayat officials have informed the beneficiaries about the mandates of the programme. However most beneficiaries were not aware of certain aspects of NREGS like; only adult members are given work and that one can demand for the type of work. They were not aware about social auditing of the scheme. Most of them were also not aware about crèche and worksite facilities. Probably because these facilities were either not provided or are very poor.

Results depicted in the Table 3 indicated that, majority of the beneficiaries (above 95\%) had favourable attitude towards NREGS. And very few (3-5\%) were neutral in their attitude about many aspects of the programme. About 66.00 per cent felt that wages were not according to community expectations and 43.34 per cent did not agree that worksite facilities were provided. About 92.00 per cent beneficiaries were neutral in their attitude towards the statement that unemployment allowance sustains the family when there is no work.

To measure the attitude level of beneficiaries and nonbeneficiaries about NREGS, a specific attitude index was
developed and the analysis of the results presented in the study, showed that, most ( $93.70 \%$ ) of the beneficiaries had favourable attitude.

The reason why majority of the beneficiaries had favourable attitude is that, those who had registered for the work had very high knowledge about the programme and after understanding the social advantage of the job they developed a favourable attitude. The co-relation of attitude with independent variable in the present study revealed that caste was positively and significantly related with attitude. Hence, again the greater the score the lower the caste, so the lower caste people mainly SC/ST had a more favourable attitude, they feel this programme is a great leveler which means that even the upper caste/class people work along with them and in the village. Age was negatively and significantly related with attitude, which means that younger beneficiaries had a more positive attitude. Youngsters are more eager and curious about the programme. Most beneficiaries were in the 30-50 age groups who were healthy and physically fit for work.

The results presented in Table 4 revealed that, age and education were positively and significantly related to the knowledge of the beneficiaries which means that higher the education and age the better was the knowledge of the

| Table 3 : Attitude of beneficiaries towards NREGS |  | ( $\mathrm{n}=270$ ) |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Sr. | Attitude statements | Beneficiaries |  |  |  |
| No. |  | Agree | Undecided | Disagree | Index |
| 1. | NREGS job guarantee scheme is boon to the rural people | 270 (100) | - | - | 100 |
| 2. | Proper understanding of the scheme has been created among the rural masses | 261 (96.66) | 09 (3.34) | - | 98.88 |
| 3. | The legal guarantee of employment has been made clear by the officials | 264 (97.77) | 06 (2.28) | - | 99.25 |
| 4. | All those who have registered under a scheme are to be employed | 266 (98.51) | 03 (1.11) | 01 (0.38) | 99.38 |
| 5. | Sufficient worksite facilities have been provided by NREGS | 145 (53.70) | 08 (2.96) | 117 (43.34) | 70.12 |
| 6. | The wage rate is standard and according to the community expectation | 81 (30.00) | 10 (3.70) | 179 (66.30) | 54.56 |
| 7. | NREGS has improved the lives of beneficiaries by generating income | 243 (90.00) | 10 (3.70) | 17 (6.30) | 94.56 |
| 8. | Sincere efforts have been made by Panchayati members in implementing the programme | 259 (95.92) | 10 (3.70) | 01 (0.38) | 98.51 |
| 9. | Women are also encouraged to register for employment | 264 (97.77) | 06 (2.23) | - | 99.25 |
| 10. | The employment provided is able to generate adequate income purchase basic needs | 258 (95.55) | 07 (2.59) | 05 (1.86) | 97.90 |
| 11. | The community has been greatly benefited by the assets creation | 255 (94.44) | 15 (5.56) | - | 98.18 |
| 12. | The Gram Panchayat has accomplished the scheme successfully | 258 (95.55) | 11 (4.07) | 01 (0.38) | 98.39 |
| 13.* | NREGS has concentrated more on the influential people | 06 (2.23) | 13 (4.81) | 251 (92.96) | 36.40 |
| 14. | Employment provision within 5 km radius has been helpful to the beneficiaries | 266 (98.51) | 04 (1.49) | - | 99.50 |
| 15. | Unemployment allowance sustains family when there is no work | 21 (7.77) | 248 (91.85 | 01 (0.38) | 69.13 |
| 16. | In this scheme men and women are treated on poor with regard to wages | 267 (98.88) | 03 (1.12) | - | 99.62 |
| 17. | NREGS has been able to develop the rural community and provide employment | 257 (95.18) | 13 (4.82) | - | 98.39 |
| 18. | This programme does not discriminate between the rich and the poor. | 268 (99.25) | 02 (0.75) | - | 99.75 |
| 19. | It is good that NREGS provides employment to able and willing workers | 260 (96.30) | 10 (3.70) | - | 98.76 |
| 20. | The programme has helped the beneficiaries to sustain themselves during off seasons | 170 (62.96) | 100 (37.04) | - | 87.65 |
| 21. | Social auditing prevents mismanagement | 243 (90.00) | 06 (2.23) | 21 (7.77) | 94.07 |
| Figu $\text { * } \mathrm{Ne}$ | in the parentheses indicate percentages ive statement. |  |  |  |  |


| Table 4 : Relationship between demographic variables knowledge and attitude | (n = 270) |  |
| :--- | :---: | :---: |
| Demographic variables | Knowledge | Attitude |
| Age | $0.233^{* *}$ | $-0.260^{* *}$ |
| Education | $0.140^{*}$ | 0.117 |
| Income | -0.057 | 0.089 |
| Caste | 0.018 | $0.147^{*}$ |
| Occupation | 0.057 | -0.042 |

beneficiaries, whereas, income and caste were not associated with knowledge about the programme.

With regard to attitude caste of the beneficiaries had a positive and significant relation with attitude. However, age was significantly and negatively related, which means younger beneficiaries had a more favourable attitude than older beneficiaries.

Results in Table 4 indicated that, the knowledge level of beneficiaries was significantly related to age and education meaning that as age increased their knowledge level also increased. The more experienced beneficiaries had better knowledge. Similarly, the more the education the beneficiary had better understanding of the scheme.

The findings of the present study are in line with those reported Bheemappa (2006) for education.

Garret ranking was assigned to the assets created in the community as per the preferences of the beneficiaries based on their usefulness to the community. It could be seen from Table 5 that majority ( $66.15 \%$ ) of the respondents had given more preferences to digging of new tanks, ponds and percolation tanks. The next preference was land leveling and tree planting (57.97\%), this was followed by rural connectivity ( $56.80 \%$ ) which is mainly road laying. Flood control and protection was preferred by 56.49 per cent beneficiaries. The $\mathrm{V}^{\mathrm{th}}$ rank was assigned to water conservation and harvesting ( $44.10 \%$ ). Other works which included construction of school compound and construction of Panchayat building ( $37.76 \%$ ). Only 28.44 per cent of the beneficiaries preferred afforestration programme which included digging of pits and planting trees.

The NREGS works are intended to create permanent assets in the rural areas for future needs. These include water conservation and water harvesting, drought proofing (including afforestration and tree plantation) irrigation canals including micro and minor irrigation works, provision of irrigation facility, horticulture plantation and land development facilities on land owned by households belonging to the scheduled castes and scheduled tribes or to below poverty line families or to beneficiaries of Indira Awas Yojana of the Government of India.

A majority of the poor in rural areas of the country depends mainly on the wages they earn through unskilled, casual and manual labour. Inadequate labour demand or unpredictable crisis adversely impacts their employment opportunities.

Unemployment and poverty are strongly related and hinders the economic growth and development of the country. NREGS ensures that the employment generated should benefit the community. Emphasis is therefore given to building of roads and other infrastructure facilities, water conservation, afforestation, land development and drought proofing.

The findings of the present study (Table 5) revealed that many assets have been created in the study villages. The beneficiaries have indicated that these works have greatly contributed to the development of the village. Most of the beneficiaries were happy with the works regarding the digging of new tanks, ponds and percolation tanks. These assets created are a blessing to the rural people especially during summers when there is shortage of water. Desilting works have enhanced the water holding capacity of the existing tanks which new tanks have also been dug. Land leveling and planting were also appreciated by the beneficiaries because it has helped in greening of the areas in and around the village where vegetation had practically disappeared. Rural roads are normally in bad shape which worsen during monsoon, so the construction of roads in the village have opened opportunities for good transportation and facilitated marketing for agricultural produce.

| Table 5 : Preferences for assets created in the villages by NREGS |  |
| :--- | :---: |
| Assets | Average |
| Digging of new tanks, ponds, percolation tanks | 66.15 |
| Land leveling and tree planting | 57.97 |
| Rural connectivity | 56.80 |
| Flood control and protection | 56.49 |
| Water conservation and harvesting | 44.1 |
| Construction of school compounds and Panchayat | 37.76 |
| buildings |  |
| Afforestation | 28.44 |

In the past 2-3 years the area under study has been receiving unprecedented rainfall creating great havoc to houses, farms and standing crops. The flood control and protection measures initiated under NREGS have therefore helped in reducing their woes.

Afforestration was not a very popular programme probably because the study area does not have forest cover.

NREGs projects are a valuable and timely investment in rural areas, with virtually no gestation period. A particular significance of the NREGS is that many of the assets created under the programme can directly benefit the poor. This is because the Act specifies that individual works are permitted, but only for the benefit of households who are below the poverty line and from the scheduled caste and tribe communities. According to Kumar (2011), NREGS has aided in enhancement of agricultural productivity (through water harvesting, check dams, ground water recharging, improved moisture content, check in soil erosion and micro-irrigation), increased access to markets and services through rural connectivity works, supplementing household incomes, increase in women workforce participation ratio, and the regeneration of natural resources.

## Conclusion:

The present study among the assets created top ranking was received by digging of new tanks and ponds, percolation tanks and these assets created are blessing to the rural people especially during summers when there is shortage of water. Land leveling and planting were also appreciated by the
beneficiaries because it has helped in greening of the areas in and around the village. Rural roads are normally in bad shape which worsen during monsoon, so the construction of roads in the village have opened opportunities for good transportation and facilited marketing for agricultural produce.

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