

CHAPTER VISUMMARY, CONCLUSION AND SUGGESTIONS

## I

The Employment Guarantee Scheme (EGS) has been launched by the Government of Maharashtra. Since May 1972, The EGS was designed to achieve the objectives of Guarantee of work to all who wish to do manual work in rural area of the state and create durable community assets. In EGS several modifications and improvements have been effected from time to time. In May 1977 statutory support was given to this scheme by passing an Act in the State Assembly, which was brought into force from January 1979.

The Guarantee of work is restricted. The participants have no choice of work, Location, and distances. The works included in this scheme are useful for increase in agricultural production. These works are minor irrigation projects percolation tanks, soil conservation, land development and road works. The priority is given to the labour intensive works. EGS is invariably executed departmentally and not through any contractor. The wages are paid according to quality and quantity of work done by each individual without discrimination between the sexes. The wage rates are designed in EGS are such that an average worker should earn wages, normally, equal to the minimum wages for agricultural labourer in that zone.

To ensure close and effective liaison and continuous supervision over programme three tier administrative set-up has been evolved at state, district, and panchayat samiti level.

The scheme is financed fully by the State Government. The required fund is raised within the state by imposing special taxes and levies on well-to-do persons for the benefit of the state. In 1975 Government of Maharashtra established "Employment Guarantee Fund". The State Government has made an equal contribution to the net collection of taxes and levies collected from professions, trades, callings, motor vehicles sales-tax, cess on irrigated agricultural land, urban non residential properties.

## II

With a view to generate employment opportunities in rural area of the country several schemes were implemented during plan period by Central Government. But these schemes were not implemented effectively throughout the country and resulted in continuous increase in unemployment in rural area of the country as well as in Maharashtra. To eliminate the poverty and unemployment, Maharashtra State has evolved its own programme of employment. Maharashtra is the first state in the country which introduced its own employment programme and recognised the right to work enshrined in the constitution of India.

## III

To study the working of EGS works, the Khataev tahsil of Satara district has been selected. The area selected is drought prone area of the Satara district. The rainfall is scanty, irregular and unevenly distributed. Well irrigation is the prime source of irrigation. The works of EGS (mostly percolation tanks) have benefitted the agriculturists. Due to dry nature of land and backwardness in agriculture and industry, employment potentialities are very much limited. Hence the larger demand for

employment is fulfilled through EGS works. The works of percolation tanks has benefitted directly or indirectly people of this block by way of provision of employment and increase in water level of the wells. This has resulted in better living.

#### IV

##### Impact of EGS on Employment and Income

In assessing the impact of EGS it was considered necessary to reach the rural community either as wage earners or as cultivators. In order to assess the change in employment and income of the labour households a sample of 55 labour households were contacted through questionnaire schedules. The sample of 55 labour households was further studied in relation to income expenditure pattern, employment preferences of work their opinions and views, factors that attracted them to participate in EGS.

##### The labour force working under EGS works

The composition of sample revealed that 43.7 percent of the households belong to scheduled castes and backward castes. Out of 55 labour households 15 were landless agricultural labourers and the remaining 40 families owned land. A total of 40 landowning families 38 landowners owned land below 6 acres from this it may be observed that EGS benefitted more the scheduled castes and backward class community, the landless agricultural labourer, small and marginal farmers.

The socially and economically handicapped sections of the community, illiterate, unorganised class of workers were observed on the works of EGS. The female participants were dominant in labour force.

### Employment opportunities

EGS proved to be the major source of Employment. There were 155 members in the working age group from the sample families. Out of these EGS and other source of employment provided employment to 108 family members. This is about 70% of the total member of the working population, 26 percent of members were self employed and 4 percent members were not employed any where.

Employment procured under EGS was higher (61.57%) than that from any other source of employment. Per capita average employment procured in the year (1983-84) was 258 days and unemployment for 42 days was experienced. It was also observed during the enquiry that volume of employment could not be increased beyond the above level as continuity in providing works under EGS were not maintained by implementing agencies.

### Wage-structure

The average wages earned per-day on EGS (Rs. 6.63) were higher than that earned on private (Rs. 6.36) farm employment. The EGS wages were higher by 4.25% than those private farm employment. However the wages earned on employment of sugar factories and "Gur" production were highest (Rs. 14.40) in the area. In spite of the differentiated wage rates the labourers were attracted to the employment under EGS. The reasons for this have been i) The employment on private-agriculture work is seasonal and temporary ii) The employment on sugar factories and Gur production is available to a very small number of workers.

### Sources of Income

More than half of the income was received by the sample households from EGS works. This comes to about 53%. The agricultural income is about 15% from other wage earning sources

it is 24.31% . This brings out that the EGS plays a dominant role in generating income to the beneficiaries or wage earners. The study further revealed that out of the total wage-earnings, EGS proved a dominant source of wage-earning, since it generated 68.6 % of the total wage earnings.

#### Pattern of expenditure

As has been seen above the EGS has been the major source of income to the labour households. Their income is raised to a significant extent affecting the pattern of expenditure. The major observation in this regard is that though income of the labour households increased, only 20% families have expenditure above Rs. 5000/- per annum, about 80 percent of the households below Rs. 5000/- which is slightly more than the subsistence requirements of the households.

Expenditure on necessities was observed to be 80 percent. The expenditure on payment of interest has been reduced, which shows to a certain extent that the EGS helped labour participants to lessen their liabilities. This is the important contribution of EGS.

#### Utilisation of savings

The households that had received longer employment and larger earnings tended to acquiring the assets such as purchase of land, purchase of livestock. The 21 households had reported the annual saving of Rs. 24577/-. The households had invested their savings in such a manner that they realised the additional source of income. About 43% of the saving was utilised for this purpose, where investments in luxury articles such as radios, bicycles, ornaments were 21 percent of savings.

This means that wage earners have been development-conscious. This is another major contribution of the EGS.

#### Work preferences

The worker households were asked about their employment preferences. It was noticed that more than 50 percent households had preferred the work of EGS to any other work. 31% labour households had not preferred any work. They would have accepted any work EGS or otherwise. The EGS was preferred by the workers for different reasons. Majority of the households (53.7%) were attracted to EGS as "No other work was available", 32.8% participants favoured the EGS because of better wages. In total EGS have become popular amongst labour families.

#### Complaints

Labour participants gave a lesser response when they were asked about the complaints and grievances about execution of works of EGS. Only 25 out of 55 households expressed their complaints openly, these are as under.

- i) Measurement of work done was faulty and mukadams adopted unfair methods like cutting wage payments.
- ii) facilities such as shed for rest, first aid boxes, potable water on work site were not provided.

The responsible officers expressed their inability to provide such facilities.

#### Malpractices

Some of the malpractices reported by labour households are as under :

- i) The payment in small coms, such paise, were not paid.
- ii) The payment on account of hiring and sharpening of instruments were not reimbursed adequately by officers.
- iii) Change in worksite situated in the some villages was disallowed.

- iv) Favouritism was the rule of the day for employing the workers in the EGS. The needy and poor had no Guarantee to get the job.
- v) A secret commission of about 10% of the wages was cut illegally on works where piece-rate system of work is adopted.
- vi) Inclusion of bogus names in muster roll was a common practice.
- vii) Froudulent Government employed suspended for practices were afton reemployed at the works.

To remove the drawbacks participant households suggested that wage rates should be increased from time to time, Regular payments in kind, contingous work and work-sites close to homes good work implements and honest mukadams, and officers should be ensured.

#### General Observations

The female albour experienced improvements in status in their families as they received wage payments directly under EGS. In private works their wages were received by male members of the families, generally heads of the families.

The work on piece-rate basis were preferred by able bodied-workers whereas old and weak individuals preferred on daily wage rate basis.

Lastely, workers were unaware of revised rates of wages, and wage rate schedules and facilities available under EGS. Information about this is required to be displayed at worksite as well as actual demonstration is also required. There were no boards showing the information. There were some boards just showing information about name of the work, implementing agencies and distance from the main roads which is not useful for workers.

Impact of Percolation tanks on Agriculture of Sample User-Households

Employment Guarantee Scheme aims at creation of durable productive community assets through extending employment opportunities in rural area. The construction of percolation tanks (PTs) is a one of the major programmes under EGS, which extends irrigation facilities by raising the level of water table in the wells. Thus PTs help to increase irrigated area and promote economic well being of the user households.

The study pertains to 50 sample cultivator households of five villages benefitted by percolation tanks constructed under EGS. The study is limited to five percolation tanks that is one in each village constructed during the year 1976-77. Thus is an empirical study in the sense that the information and data were collected by carrying out enquires with the help of questionnaire schedule. An assessment of 50 user households from the five villages namely Hingane, Bombale, Palasgaon and Padal was made. Of a sample of 50 user households, 40 percent of the total households are under command area. The sample households were studied with a view to change in irrigated area, change in agricultural production and asset-creation due to construction of percolation tanks.

The user households owned land from 1 acre to 15 acres and above. 76 percent households owned land below 15 acres and 12 percent households owned land below 5 acres. Since the region comes under the raion shadow area and irrigation facilities are lacking land holding of five acres or 50 acres makes no distinction.

The sample households were from the scheduled caste, backward communities and caste families. It was noticed that 62 percent of

the user households belong to the category of non-backwards followed by other backwards who formed 34 percent of the households.

Changes in Irrigated area :-

Since there the construction of percolation tanks, total irrigated area has increased from 128.10 acres to 175.30 acres. The net increase in irrigated area was 47 acres by all the 5 PTs. However the change has been not uniform in all the five villages. In Padal increase was 142 acres, and it was higher than any four other PTs. The small increase in irrigated area was by Palasgaon and Khatval PTs.

Wells :-

Increase in irrigation resulted from digging up new wells and deepening of old wells. All the PTs had benefitted by the increase in number of wells in agricultural use. In 1976-77 only 42 wells were available water source, while in 1982-83 56 wells existed for the purpose. Progress in water facilities through wells varied from village to village.

~~XXXXXXXX~~ Secondly it has been observed that all the new wells as well as old ones did not yield some results. Out of 14 new wells 3 wells had no water after February, Against this in village Padal all the new wells had perennial water supply. Thus irrigation facilities through construction of PTs had uneven impact.

Change in Agricultural Production :-

The percolation tanks had benefitted the user households by increase in agricultural production. About 86 % households had reported increase in agricultural production due to utilisation of percolation tanks. The highest reporting was of the households in village Bombale whereas Khatval had the lowest increase About 14 percent of the households (mostly small and marginal)

reported no increase in agriculture production. This was due to lack of agricultural machinery.

Asset creation :-

Extension of irrigation facilities improved the agricultural income of the user households. The improvement in agricultural income has resulted in formation of various assets such as Farm, household and financial assets.

The increase in farm assets like pumpsets bullocks, tractors, was small because these assets were beyond the capacity of the majority of the households. The investments in milch cattle and poultry was attractive since the cost was comparatively low and gestation period was short. The proportionation of farm asset formation was higher in case of the big farmers than that of medium and small farmers.

Increase in income made it possible for 25 households to improve their residential accommodations. Similarly low cost domestic assets like radios bicycles ~~was~~ has increased in a few households. However, acquisition of costly furniture did not increase in the majority of the households.

Apart from the farm and household assets higher earnings had been also been useful in formation of financial assets. The number of share holders of PACCs and depositors of Banking Institution has increased by 21 and 15 respectively.

Impacts of PTs on cropping pattern.

The ~~an~~ analysis of change in cropping pattern shows that 19 out of 50 user households had started new crops like Hybride Jowar, Maize, and Potatoes. Three amongst these undertake new crops like wheat, oilseals. The major significant fact was that

10 out of 19 undertook for the first time to grow crops like sugarcane fruits and vegetables, requiring perennial water supply.

EGS and agricultural operations :-

It was desired by the farmers of the state that the introduction of the EGS should not create farm labour shortage in the agriculture. This was tested in the present study. In actual practice it was observed that labour shortage was experienced and it was detrimental to agriculture operations. It was further observed that labour shortage was actually felt by big farmers. As a result competition took place amongst the farmers to retain agricultural labour. Out of 50 households 34 households that is 68% experienced seasonal shortage of farm labour or during the harvesting months August - Nov. and January 1 - February. In this regard following suggestions were made by the households that EGS works should be stopped during harvesting months.

SUGGESTIONS :-

After observation and study of the present problem the following suggestions are made by the researcher for improvement in the operations of Employment Guarantee Scheme.

(1) Provision for Maintenance of assets :-

Under EGS, the various productive works were completed in the block. But due to lack of maintenance, their physical conditions are bound to deteriorate. According to provision made in EGS maintenance of assets becomes the responsibility of department executing the works or Zilla Parishads, but due to paucity of funds needed for recurrent maintenance purposes, these departments are reluctant to accept responsibility. Considering the fact, a suggestion can be made that beneficiaries from the creation of such assets should be made to pay some amount as "Maintenance duty"

in the form of additional local levies to be paid to the Grampanchayat or Z.P. and the responsibility of maintaining the assets should continue to devolve upon such local authorities. No doubt it is a difficult task but it is necessary. The Government should undertake the pilot study of such assets and beneficiaries and introduce a new duty on the identified grant. So far 50 percent of the requisite amount is financed by the well-to-do urban people and 50 percent is contributed by state Government but the direct beneficiaries make no contribution. The effect of imposition of a 'Maintenance duty' on beneficiaries would enhance proper utilisation of assets. This would result in a greater demand for productive work which will automatically create employment opportunities. Thus both the objectives of EGS will be served and it will result in reduction of malpractices.

(2) Command Area Development :-

The Economic Position of some cultivators under the command area was weak. They were unable to meet the various prerequisites of land development on their land. Therefore complementary land development programme on massive scale should undertake on the land of small and marginal farmers. It will definitely help small as well as other cultivators to come up. This will also induce them to contribute to the maintenance duty.

(3) Proper Planning and Management

Even though a Guarantee of manual work is given, it was observed that the volume of unemployment has not been eliminated. The unemployment persists because of non-availability of works and sporadic discontinuity in works by implementing ~~authorities~~ authorities and not due to unwillingness of workers. So it is suggested that motivated planned implementation will avoid the delay or discontinuity.

**(4) Priority to Productive work :-**

It was seen that due to the pressure and interests of political workers the road works were in constant demand and they progressed under EGS- Lack of Supervision Commissions and irregular payments resulted in sub-standard work. Hence under EGS, priority should be given on the basis of productivity and usefulness of work. Otherwise, it is sheer wastage of money.

**(5) Provision for facilities :-**

Owing to illiteracy and backwardness, workers could not understand the provisions and revisions made under EGS. Therefore, concerned department should make efforts to communicate to the workers.

**(6) A need in change in Nature of work :-**

There is a need for change in nature of work under EGS and create self-reliance among the workers. The work projects like dairy., weaving, soap making, safty matches, oil production Ghans, should be included.

**(7) Labour organisations :-**

The illiteracy and backwardness of participants has resulted in exploitation and malpractices. It is the dire need to organise a solid organisation of unorgaised class of rural illiterate to prevent malpractices. The EGS is a opportunity to social workers to make efforts for organisation of workers. through which they can show their abilities and make a mark in society.

Fortunatly there have been some labour organisation though few and far between, working ideally for their members. But their work is very limited as compared to the area covered under EGS. Hence, the Government should induce and encourage voluntary organisations to safeguard every interest of poor workers by subsidizing the certified members of organisation, after its existence for a minimum period and a minimum membership condition.