

# Role of National Rural Employment Guarantee Scheme in achieving Gender Equality in Rural India

Dr Waheeda Sunny Thomas

Faculty Economics, SEMCOM, Gujarat, India

## ABSTRACT

National rural employment guarantee scheme in India has played an important role in creation of employment opportunities for women in rural India. The third millennium development goal seeks to promote gender equality and effectively empower women to combat poverty, hunger and disease, and to stimulate development that is truly sustainable. Rural employment is critical in removing poverty as more than half of the poor residing in developing countries live in rural areas. For removal of poverty Government of India launched several schemes to generate employment especially in the rural areas. Present study explores the trends in workforce participation rural economy of India. The study also incorporates the analysis of volume of employment generated through National Rural Employment Guarantee Schemes and the extent of rural female work participation through National Rural Employment Guarantee Schemes. Using the data collected from published reports of National Sample Survey Organization, Labour Bureau and Government of India, reports of Ministry of rural development the study analyses state wise trends from 2010-11 to 2014-15. The study uses compound annual growth rate and percentage analysis as methods of data analysis. Findings of the study reveal that national rural employment guarantee scheme has benefitted female workers and has increased their share in work force.

**Key Words:** Female Employment, National Rural Employment Guarantee Scheme.

## 1. Introduction

In September 2000, 189 heads of state gathered at the UN to adopt the Millennium Declaration. They pledged commitments for international cooperation on peace, security and disarmament; development and poverty eradication; environmental protection; and human rights, democracy and good governance, based on a set of fundamental values including freedom, equality, solidarity, tolerance, respect for nature and shared responsibility (UN, 2000). As a means to promote development and poverty eradication, the declaration laid out a series of objectives that became the MDGs. Conceptually, the MDGs articulate and quantify some core human development priorities focused on minimum levels of achievement to “free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty, to which more than a billion of them are currently subjected.” Goal 1 to 7 of the MDG commit to raise the poor out of their poverty and hunger, get every child into school, empower women, reduce child mortality, improve maternal health, combat HIV/AIDS, malaria, and other diseases, and ensure environmental sustainability. Goal 8 clearly identifies that eradicating poverty worldwide can be achieved only through a global partnership for development. The MDGs provide tangible benchmarks for measuring progress in eight distinct areas, with the deadline for most of them being 2015 (Roy S K, 2012). Present paper explores the role of national rural employment guarantee scheme in India aiming towards third MDG seeks to

promote gender equality and effectively empower women to combat poverty, hunger and disease, and to stimulate development that is truly sustainable.

Rural employment is critical means for removal of poverty and hunger. Rural workers are at the nucleus of the food production system in the world but are in a very disadvantageous position due to lack of income opportunities. Due to lack of existence of trade unions, employers association and farmers union rural workers are in a vulnerable situation. They are least likely to have gender equality in employment opportunities and wages. Government of India through National Rural Employment guarantee Act 2005 aims to provide for enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult member volunteer to do unskilled manual work.<sup>1</sup>The government has launched several schemes to generate employment especially in the rural areas. The incidence of income poverty among females tended to be marginally higher in both rural and urban areas. The percentage of females living in poor households was higher compared to males in rural areas in 1993–94 and 2004–05. The lower percentage of females among the poor despite higher female poverty ratio was due to an adverse sex ratio - which itself is a reflection of the discrimination that women and girls face over their life-cycle (Planning commission 2014).

According to NSSO female workers constitute about 32 per cent of the Indian workforce and their share in employment has been on the rise. Most of these female workers are based in rural India. This is because typically rural areas are poorer, and poorer women are more often in paid employment than women from better-off households where social norms and patriarchal values restrict women's entry into the labour market. In rural India, labour force participation rate for women in 2004-05 was 36.6 per cent as compared to 22.3 per cent for urban women. But in recent years, the urban labour force for women is growing at a faster pace than that of rural women. This indicates lesser demand for work in rural areas. However, there are also very significant differences across states in India.

More than 80 per cent of all women working in rural areas are engaged in agriculture, which is the least productive sector of the Indian economy. While there has been a decline in the share of all workers in agriculture as compared to other sectors, and a decline in men in agriculture, the share of women in agriculture has been on the rise. Share of females in agriculture has increased during the study period. According to state level NSSO data there has been a rise in female agricultural workers in 12 of the 15 major states in India and in some states, females constitute more than half of all agricultural workers (Haryana, Himachal Pradesh, Maharashtra, Rajasthan and Tamil Nadu). Men are moving out of agriculture while females, are finding it harder to shift away from agriculture (ILO).

Men are possibly migrating to urban or semi urban areas in search of better opportunities. Females are engaged in agriculture as cultivators/farmers, casual wage labour and unpaid family workers. There is therefore a clear feminization of agriculture (Kanchi, 2009). Dre'ze, J and Siddhartha (2007) reported that Rajasthan was far ahead of other states in providing employment under the NREGA. Khera, R and Nandini (2009) indicated the female labour workforce participation rate is significant in Rajasthan and Madhya Pradesh and it is the least in Uttar Pradesh. Leelavathi and K H Rao (2010) based on the field survey results of 2006-07 in four districts of A.P, estimated the performance MGNREGS - A.P with 23 indicators. Inter district variations were observed in terms of performance. The overall effectiveness score was 43.68 per cent and termed the performance of MGNREGS in A.P as moderate. Dey, S and A Bedi (2010) carried out a study in Bhirbhum district of West Bengal, which showed universal awareness about 100 days employment guarantee. However, only 20 per cent of legally guaranteed employment was created during 2008-09 and hardly 3.4 days of employment provision was made during agriculture lean season.

<sup>1</sup> <http://nrega.nic.in/netnrega/iceg.pdf>

NSSO (61st and 64th Rounds) reported that in total person - days in all economic activities, the percentage share of person - days in casual labour in public works (including MNREGA) has increased significantly between 61st and 64th rounds of NSSO (GOI 2010). The results showed that in public works female participation has increased from 0.29 per cent in 61st round of the survey to 1.44 per cent in 64th round of survey which is more than the growth of male participation of 0.21 to 0.85 per cent in the same period.

Thus present study focuses on following objectives –

To study the employment generation for women through MNREGA

To study the impact of MNREGA on achieving the third MDG.

## 2. Data and Methodology

Study is based on the percentage analysis and compound annual growth rate of data collected from National Sample Survey Organisation (NSSO) and Labour Bureau, Government of India, New Delhi. The data on rural employment were taken from 68th round (2013-14) (<http://mospi.nic.in>). Data on rural employment for males and females is collected from electronic data base of Ministry of Rural Development, Government of India namely Public Data Portal and MIS Reports (<http://nrega.nic.in>)

## 3. Result and Discussion

To achieve growth with equity and social justice, the government of India has been implementing specific poverty removal plans since the Fifth five-year plan (1974 – 1979). The most recent initiative under the wage employment programmes is the launch of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2006. Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) legally enshrines the “right to work.” Ensures livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. An important objective of MNREGA has been to encourage women’s effective participation, both as workers and as administrators. According to MGNREGA guidelines, at least one-third of the beneficiaries shall be women who have registered and requested for work under the programme. Further, since employment is provided within 5 km radius of the village, it has the potential to increase female participation.

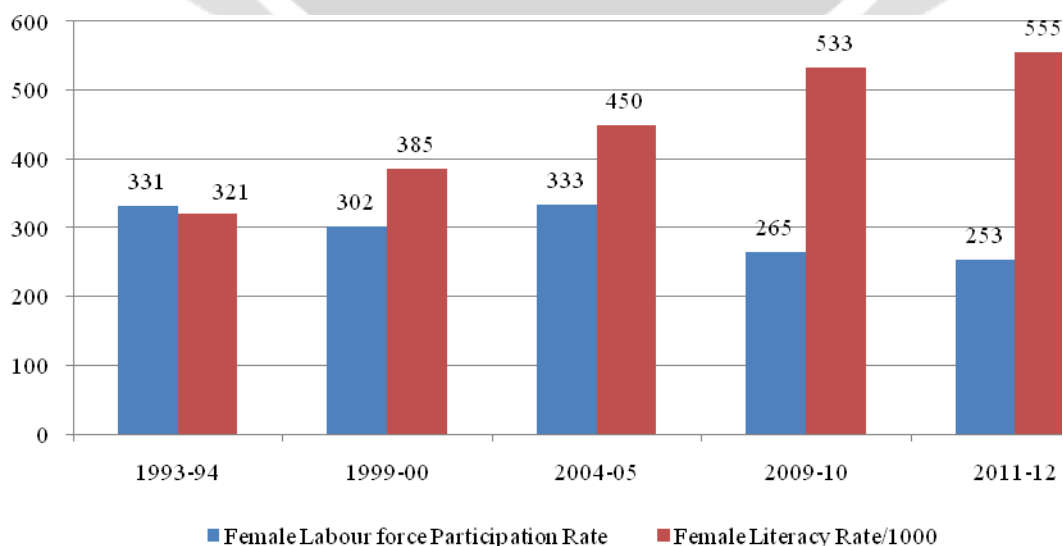
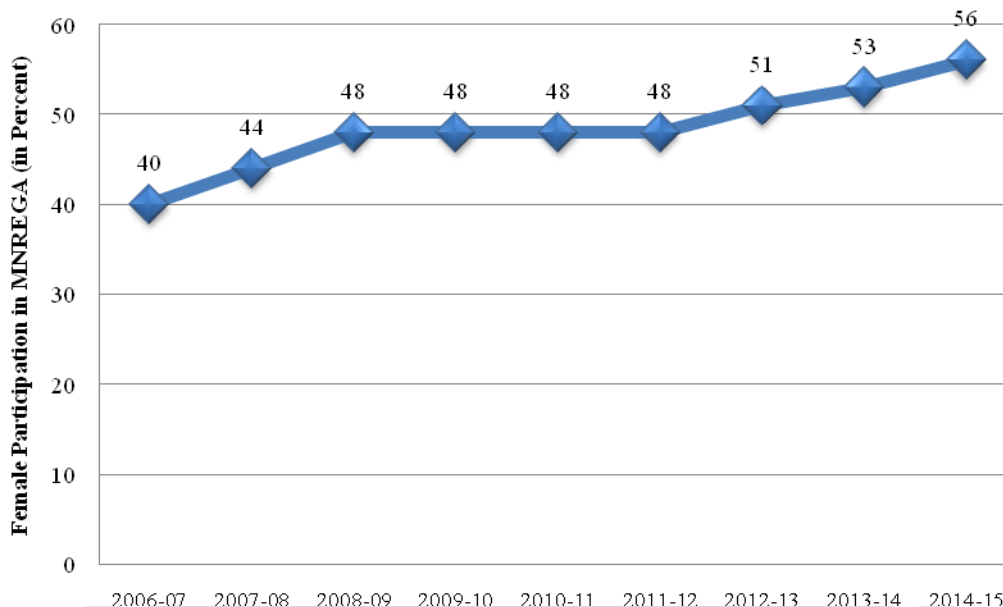


Figure 1: Changes in Female Labour participation rate and female literacy rate in rural India

Figure 1 shows female participation rate in rural India is on the decline and literacy rate is on the rise from 2004-05. The difference is widening from 2009-10 to 2011-12. The fall in female participation rate indicates less demand for work or reduction in the persons looking to work. MGNREGA has helped mitigate the situation. MNREGA initially implemented in 200 districts, during the financial year 2006-2007, was extended to 330 districts and finally to 615 districts during the financial year 2007- 2008. Although MGNREGA focuses on planning productive absorption of under-employment and surplus labor force in rural areas by providing up to 100 days of direct supplementary wage employment generation in the rural households(Joydeep, 2014).

Figure 2 :Female Participation in MNREGA (in Percent)



Source: Authors calculation based on the data collected from NREGA reports.

It is obvious from figure 2 above that the employment through MNREGA for females is on the rise. Female share of work under MGNREGA is greater than their share of working the casual wage labour market across all states. Women are benefitting from scheme much more actively than they participated in other forms of recorded work. However the wage rate for women is marginally less than their male counterparts.

It can be seen that the labour cost is increasing manifold and the total number of person worked is lagging behind. In some cases both the variables are showing negative sign meaning that there is lacuna in the implementation. There should have been positive movement on both sides to keep this flagship program of poverty eradication moving forward in the right direction. It shows the poor implementation of the program as well. The program needs recasting and there should be proper guidelines to take to the logical conclusion.

It can be inferred from the above table that there is considerable increase in the women participation in the workforce of NREGA. The overall per cent is ever increasing and it has reached the half way mark. Certain states such as Kerala and Tamil Nadu have done exceedingly well. It has to be noted that when there is greater

participation by women, the income so generated will reach the homes without any filtration. Thus there are encouraging signs of overall improvement of the program.

Table 1: State wise Percentage of Person Days worked by Females

Sr No	States/Union Territories	2011-12	2012-13	2013-14	2014-15
1	Andhra Pradesh	57.8	58.3	58.7	58.4
2	Arunachal Pradesh	34.3	30.3	30.3	30.4
3	Assam	24.9	26.0	24.8	27.4
4	Bihar	28.9	30.6	35.0	37.3
5	Chhattisgarh	46.2	46.9	48.5	49.9
6	Goa	75.6	79.1	75.3	74.8
7	Gujarat	46.2	42.9	44.0	42.9
8	Haryana	36.5	39.9	41.7	41.3
9	Himachal Pradesh	59.4	60.7	62.5	60.8
10	Jammu And Kashmir	18.6	19.9	23.1	25.7
11	Jharkhand	31.4	32.7	31.9	32.0
12	Karnataka	46.1	46.3	46.6	46.8
13	Kerala	92.9	93.0	93.4	92.5
14	Madhya Pradesh	42.7	42.4	42.7	43.3
15	Maharashtra	45.9	44.5	43.7	43.4
16	Manipur	33.8	34.0	35.2	37.5
17	Meghalaya	41.7	41.1	41.6	41.5
18	Mizoram	24.2	26.2	30.2	40.2
19	Nagaland	26.8	26.0	28.9	31.7
20	Odisha	38.7	36.0	33.6	33.2
21	Punjab	43.2	46.4	52.7	57.5
22	Rajasthan	69.3	69.0	67.8	67.8
23	Sikkim	44.8	43.7	44.9	49.2
24	Tamil Nadu	74.1	74.2	83.9	85.7
25	Tripura	38.7	41.1	47.1	48.7
26	Uttar Pradesh	17.2	19.7	22.2	24.4
27	Uttarakhand	44.7	46.9	44.9	45.6
28	West Bengal	32.5	33.7	35.5	39.8
	All India	46.8	50.0	51.8	54.6

Source: Authors calculation based on the data collected from NREGA reports.

#### 4. Conclusion

There is no doubt that female workers have gained from the national rural employment guarantee program during the study period and number of females in labour force participation has declined in recent years. The fruits of income generated for females have shown the signs of increasing expenditure on articles of basic need and the

literacy amongst females in the rural areas has also increased. However, the question of sustainability of such kind of employment guarantee still remains.

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