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## MGNREGP AND LIVELIHOODS OF SCs AND STs WITH SPECIAL REFERENCE TO VILLUPURAM AND SALEM DISTRICTS OF TAMIL NADU, INDIA

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**Abstract**

*Livelihood is an essential condition for self-sustaining growth. Improvement of weaker communities has consistently been one of the major objectives of India's five year plans. According to 2011 census, India crossed the one billion population mark and now stands at 1.2 billion. It is however sad that even after 66 years of Independence, the world's largest number of poor resides in India. India is home to almost 1/3rd of the world's population and it is estimated that 28% of the total population of the country live below the Poverty Line (BPL), of which 75% are said to be in the rural areas. This being a matter of serious concern, the creation of employment opportunities for the unskilled labour force and ensuring food security has been an important objectives of developmental planning in India. The wage employment programmes have been an important component of the anti-poverty strategy of the Govt. of India which has sought to achieve multiple objectives. The programmes provide employment opportunities during lean agricultural seasons as well as in times of floods, drought and other natural calamities. The MGNREGP is the largest in a series of generally undistinguished rural wage employment programme that the Govt. of India has implemented. This study attempts to examine the impact of MGNREGP on the rural livelihoods in two districts of Tamil Nadu.*

**Keywords:** Livelihood, below poverty line, food expenditure, wage programmes, MGNREGP.

**Introduction**

India has very rich experience in the implementation of anti-poverty programmes, yet, poverty persists. After independence and particularly from the Fifth Five Year Plans onwards, Government of India has initiated several rural development programmes for

raising rural employment and alleviation of rural poverty. The country has been implementing both wage employment and asset distribution programmes, as the benefits of development do not automatically reach the poorest of the poor. However, it has been found that the benefits of the earlier programmes have not produced significant changes in the livelihoods of the weaker sections of the society. The MGNREGP is an important strategy in the current economic context of global economic crisis and national economic slowdown, where raising aggregate demand is a major task for the government. Fiscal policy that provides more wage income directly to unskilled workers in the rural areas is likely to be much more effective in increasing aggregate incomes than other forms of public spending. In this direction, in 2005, India's parliament passed the National Rural Employment Guarantee Act (NREGA), which is the central government's response to the constitutionally manifested right to work and a means to promote livelihood security in India's rural areas. To this end, the Act guarantees 100 days of manual employment at statutory minimum wage rates to any rural household whose adult member is willing to do unskilled manual work. The manual work needs to create sustainable assets that promote the economic and infrastructure development of the village. This Act was introduced with an aim of improving the purchasing power of the rural people, primarily semi or unskilled work to people living in rural India whether or not they are below the poverty line. Around one third of the stipulated work force is women. It was initially called the National Rural Employment Guarantee Act (NREGA) but it was renamed on 2nd October 2009, as Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP). India's MGNREGP, which began in 2006, is the largest public works employment project in the world. Rural poverty reduction is an explicit objective of the MGNREGP. The Employment Guarantee Act can also help to empower women, by giving them independent income earning opportunities. MGNREGP insists that 30 per cent of the employment provided, should be given to women. Implementation of MGNREGP has initiated certain strategies at women empowerment, particularly in the following aspects the work is to be organized by women's groups, the gender perspective gets built in automatically, and for the first time equal wages are paid to both men and women, which boosted the earnings of the women. The uniqueness of this act is that, it carries emphasis on issues like equality of wages for men and women, elimination of work contracting/middlemen/payment of wages only through bank and post office accounts to prevent corruption, creating transparency in workers' muster rolls, etc. The MGNREGP is possibly the most ambitious income security programme for India's rural poor. Initially it was introduced in 200 districts of the country and later extended to another 130 districts in 2007-08. By 1st April 2008, it was further extended to 593 districts covering 4, 49, 40,870 rural households. Now, it is applicable in all the 615 districts of the country. It is not restricted by gender, geography, age, skill and caste. MGNREGP not only provides employment but also focuses on inclusive growth, rejuvenation of natural

resources, generating productive assets, protecting the environment, empowering the rural women and reducing rural-urban migration with the multiple objectives of sustaining income and consumption through wage works, creating durable assets.

The MGNREGA assures 100 days of job especially for socially disadvantaged groups like women, SCs and STs. Previously, the workers were very poorly paid, but MGNREGA has increased the local wages also at par with MGNREGA wages. The ST population has shown keen interest in MGNREGA works. It gives special provision to employ the aged and the differently abled. NREGA gives much priority to the poorest sections of society especially women, SCs and STs. The maximum level of women participation will lead to a decline in distress migration and an improvement in food consumption among certain families [(Hazra (2009), Yadav (2009), Azeez (2012), Dalapathi (2010) and Nidheesh (2009)]. Sanyal (2011) has emphasized the historical importance of MGNREGP and the criticism of earlier rural employment programmes. Sharam *et al.* (2011) have discussed the objectives of MGNREGA. It provides the livelihood security in the rural areas and helps to create productive assets especially the SC and ST population. According to Sreekantaradhya (2012) hunger, malnutrition, famine, poverty and related issues have attracted the attention of the economists starting from the days of Kautilya. Krishna *et al.* (2011) have explained the status of the SCs and STs, the agricultural wage workers, small and marginal farmers and casual workers who are engaged in non-agricultural activities and who constitute the bulk of the rural poor in India. Considering the above facts in view, this study evaluated the impact of MGNREGP on the livelihoods of SCs and STs with special reference to Villupuram and Salem Districts of Tamil Nadu, India

## Methodology

### Selection of Study Area

MGNERGP was implemented in three phases in Tamil Nadu. The first phase was implemented in 2005 and 2006, the second phase was implemented in 2006 and 2007 and the third phase was implemented in 2008 and 2009. The present study has been conducted in two districts of Tamil Nadu, viz., Villupuram and Salem district was selected from the first and third phases, because of four reasons: one, is the largest district in Tamil Nadu (Fig. 1). It is the least industrialized area and has a high proportion of SC and ST beneficiaries. The person days of women are high in the district. Salem district was chosen for the present study for the following three reasons: The percentage of ST beneficiaries is high. Participation of women is exceedingly high. The person day for both men and women was high in the district.

### Data Collection

The primary data was collected from the 480 beneficiaries from eight villages. The study has adopted the multi-stage sampling method. A well structured interview

schedule has been used for the data collection. The secondary data were collected from the MGNREGP website. Primary data has been collected during the year 2012 and 2013.

### **Hypothesis**

Ho: There is no significant variation among the different communities with respect to income earned through MGNREGP in Districts.

H1: There is a significant variation among the different communities with respect to income earned through MGNREGP in Districts.

### **Statistical analysis**

The collected data was analyzed statistically using mean, standard deviation, percentage and one way ANOVA was used to test the hypothesis.

### **Findings**

#### **Community Details**

District-wise (Fig. 1), analysis reveals that in both the districts i.e., Villupuram and Salem ST workers were highest in number. Villupuram had 31.67 per cent and Salem had 58.75 per cent of ST workers respectively. The second spot was taken by SC workers (26.67 per cent) in Villupuram district while the same was taken by BC workers in Salem district (11.67 per cent). The BC workers in Villupuram district at a share of 23.75 per cent, while SC workers in Salem district at a share of 22.08 per cent. The MBC respondents had a share of 17.91 per cent 7.50 per cent in Villupuram and Salem districts respectively. Overall, it can be said that SC and ST workers were the highest among the different castes in both the districts put together. Even though other caste workers had job cards under this programme SC and ST workers were more interested to work under this programme. Most of the other caste workers were not willing to work under this programme due to different reasons such as in acceptability of caste in differentiation in the works and wages, lower wages, prestige or superiority complex, etc. It was also found that the workers were working in their respective caste groups in the worksites. In Neelamangalam it was found that worksites were allotted based on caste. Similar findings were revealed by Sankari and Murugan, (2009), Sharma *et al.* (2010), Kelkar (2011), Sharma and Sharma (2011) and Sarkar *et al.* (2011).

#### **Occupational Details of Household Members**

At the district level it can be seen that around 19 to 21 per cent of the family members were doing other jobs in Villupuram and Salem districts (Fig. 2). From these observations it is learnt that mostly the agricultural labourers, unskilled labourers and old age respondents were willing to do the MGNREGP works. Some of them were working in their own lands and also in MGNREGP. Some of the studies conducted by Rai and Durgaprasad (2008), Chandrashekhar (2012), Dutta (2009) and Sarkar *et al.* (2011) revealed similar findings.

### **Income Details from Different Sources**

At the district level it can be seen that around two hundred and twenty three to two hundred and twenty eight members averagely earned Rs. 3,929 to 4,144 per annum from other services in Villupuram and Salem. The main reason for respondents depending more on agriculture is traditionally involving in agricultural and allied activities. They don't prefer another works in other places (Table 1).

### **Occupation before MGNREGP**

At the district level (Table 2), also around 60 per cent of the respondents were working in the agricultural sector. The percentage of the respondents who was working as casual labourers was in the ranged 18 to 25 per cent and the respondents who did not do any other job were about 10 per cent.

### **Comparison of MGNREGP Income in the Different Communities**

One Way ANOVA was employed to compare the variation among the communities within the district (Table 3). The mean square values of the two districts were used to compare the variation between the districts. In the two districts, i.e., Villupuram and Salem, it was found that there are no significant variations among the different communities with respect to income earned through MGNREGP as the calculated mean square values are less than the table value at different levels of significance as observed earlier. Hence, the Null Hypothesis is accepted. That is to say, no discrimination exists among the various communities with respect to getting employment and earnings income through MGNREGP.

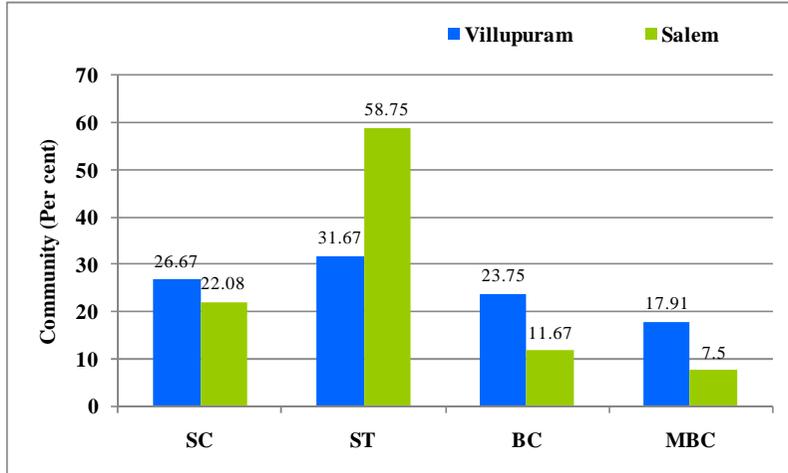
### **Expenditure Incurred by the Respondents**

At the district level it can be seen that around 4 to 11 per cent of the respondents reported that the MGNREGP income was spent for other purposes in Villupuram and Salem (Fig. 3). After the implementation of MGNREGP, women got wages equal to men and the dependency level has reduced. Majority of the women spent their wages to purchase vegetables, kitchen items, better food, note-books for children, medical expenses, and savings in SHGs. So, the MGNREGP income leads to better food and health. But, they were not able to purchase durable assets for the family. Similar findings were reported by Harish *et al.* (2011) and Mishra (2012).

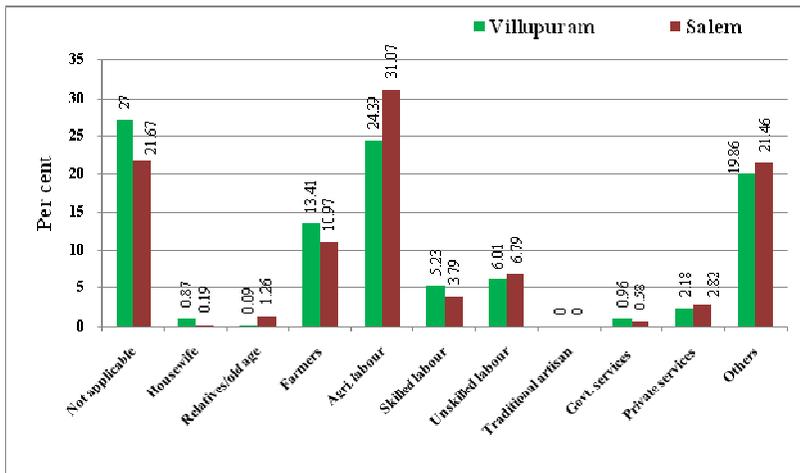
### **Benefits of MGNREGP**

At the district level it was found that in Villupuram only 0.8 per cent of the respondents reported that the MGNREGP did not help in anyway (Fig. 4). So, MGNREGP helps in good transportation, helps to market their products, to meet emergency and children's education. Similar findings can be seen in a study by Shah and Mohanty (2010).

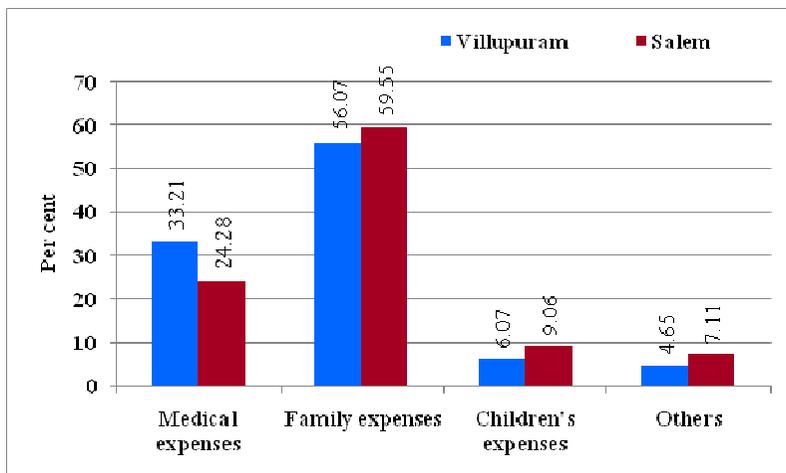
**Fig.1 Community Details (Districts)**



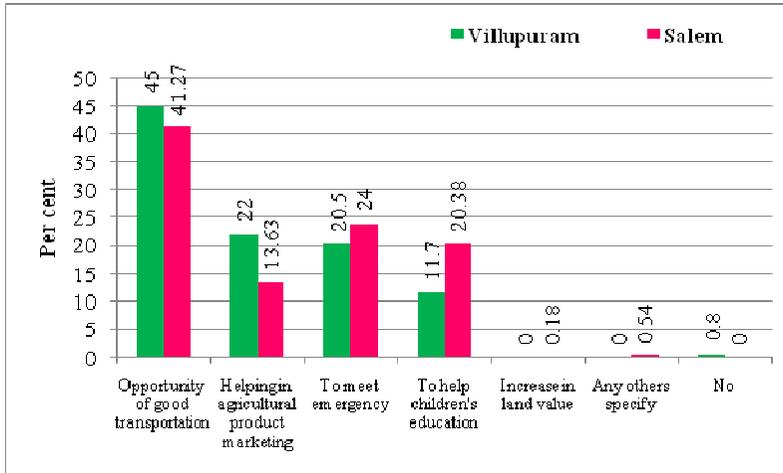
**Fig.2 Occupational Details of Household Members (Districts)**



**Fig.3 Expenditure Incurred by the Respondents (Districts)**



**Fig. 4 Benefits of MGNREGP (Districts)**



**Table 1 Income Details from Different Sources Per Annum (Districts)**

S.No	Sources of Income	Villupuram			Salem		
		No. of Res.	Income (Per Annum)	Average	No. of Res.	Income (Per Annum)	Average
1	Govt. Services	11	6,86,300	5,720	6	48,001	16,000
2	Priv. Services	25	12,33,000	49,320	21	40,32,001	2,12,211
3	Agri. Land	154	22,17,700	13,690	160	19,69,600	16,013
4	Non-Agri	71	32,24,400	45,414	45	21,49,500	36,432
5	Livestock	82	38,39,000	46,817	50	3,07,200	6,536
6	Agri. Wage	280	45,07,020	17,402	336	56,58,600	16,354
7	Non-Agri. Wage	46	11,50,500	31,958	16	4,29,000	35,750
8	Petty shop	4	59,200	14,800	1	12,000	12,000
9	Govt. Pension	2	1,32,000	66,000	0	0	0
10	NSAP Benef.	0	0	0	15	1,20,000	24,000
11	Trad. Serv.	4	97,500	24,375	0	0	0
12	Other Serv.	228	8,99,740	3,929	223	9,15,892	4,144
<b>Total Earners</b>		<b>907</b>	<b>1,80,46,360</b>	<b>26,619</b>	<b>873</b>	<b>1,56,41,794</b>	<b>31,620</b>

Source: Computed from Primary Data

**Table 2 Occupation before MGNREGP**

S. No	Particulars	Villupuram		Salem	
		No of Res.	Per cent	No of Res.	Per cent
1	Agriculture	153	61.44	152	63.33
2	Professional work	7	2.81	2	0.83
3	Casual labour	47	18.88	61	25.41
4	Did not work	33	13.26	22	9.18
5	Others	9	3.61	3	1.25
<b>Total</b>		<b>249</b>	<b>100</b>	<b>240</b>	<b>100</b>

Note: Respondent could have given more than one response

Source: Computed from Primary Data

**Table 3 Comparison of MGNREGP Income in the Different Communities (Districts)**

S. No	Districts	Mean Square	P-Value
1	Villupuram	3.8	0.0003***
2	Salem	3.1	0.0198*

**Source:** Calculated from Primary Data

\*\*\*1 per cent level of significance, \*\*5 per cent level of significance,\*10 per cent level of significance.

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