

# The Indian National Rural Employment Guarantee Act

How the Chars Livelihoods  
Programme in Bangladesh can  
learn from it.

From: Malcolm Harper.

To: Roland Hodson, Azim Manji, CLP Bogra  
Bangladesh

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## MEMORANDUM

From: Malcolm Harper.

To: Roland Hodson, Azim Manji, CLP, Bogra, Bangladesh

Subject: The Indian National Rural Employment Guarantee Act (NREGA), and what CLP can learn from it.

Date: 14<sup>th</sup> May 2006

### 1. INTRODUCTION AND OBJECTIVES

The management of the Chars Livelihoods Programme (CLP) in Bangladesh plan in 2006 to introduce a guaranteed wage employment programme for the poorest chars households during the summer *monga* or 'hungry season'. In 2005 the Government of India passed the National Rural Employment Guarantee Act (NREGA) to initiate a similar programme in the poorer districts of rural India. The implementation of this Act was started in Anantapur in Andhra Pradesh by the Prime Minister on 2<sup>nd</sup> February 2006.

The objective of this report is to describe the Indian experience thus far, to identify any special features which appear likely to make it a success and to point to possible pitfalls and ways to avoid them, in order to assist in the process of designing and introducing the proposed CLP scheme, which is planned to be launched in July 2006.

### 2. METHODOLOGY AND ACKNOWLEDGMENTS

The sources for the information contained in this report are as follows:

- Internet-based material, including the dedicated website <http://www.nrega.nic.in/>.
- Interview with Balram Sharma, IAS, Ministry of Rural Development, Government of India, Director of the NREGA.
- Interview with Dr. Ramesh Sharan, University of Ranchi, Jharkhand, convening member of state-level committee appointed by the Supreme Court of India to monitor implementation of the NREGA in the State.

Completed data forms, and/or conversations and correspondence, with informants as follows from the following States:

- Vijay Kulkarni, Director, Infosys Foundation Bangalore, ex-banker and NGO activist, and M.Basavarajaiah, Prerana NGO, for Karnataka.
- Jitesh Panda, Director, Shrishti, for Orissa.
- Dr Ramesh Sharma as above, for Jharkhand
- Rakesh Malhotra, lately District Development manager, National Bank for Rural Development, Bareilly, for Uttar Pradesh.
- Staff of Naandi Foundation, Hyderabad, for Andhra Pradesh.
- Staff of Bhartiya Samruddhi Finance Limited, Anantapur branch, also for Andhra Pradesh.

The original data form, and the completed forms and some related attachments, are appended to this report, as they were received.

It is important to remember that the NREGA was only started in February 2006, and that large-scale operations are just beginning in most states. No useful data was in the event available for Uttar Pradesh (UP), although 22 of the 200 selected districts for the NREGA are in that state. There had by the end of April been over a million applications for work in UP, but only just over 200,000 household job cards had been issued. 12,000 of the job card recipients had asked for employment, but none had been provided. This is a uniquely unsatisfactory performance, which is alleged to be caused by the State Government's reluctance to facilitate the implementation of any programmes which may redound to the credit of the Congress party in Delhi.

I should like to thank all the above informants, and through them those to whom they spoke, for their expert assistance.

### 3. SUMMARY OF FINDINGS ON NREGA, INDIA

#### 3.1. Origins, and key features.

The NREGA is the latest in a series of generally undistinguished rural poverty alleviation programmes. It owes many features of its design, however, to a similar relatively successful programme in Maharashtra which was started in 1974. The success of this programme can be judged by the fact that although the population of the State has approximately doubled since that time, the demand for work under this programme has remained more or less stable. The numbers of poor, it can be argued, have thus remained static, but the proportion of the poor has halved.

Some key features of the NREGA, which should make it substantially more successful than the many not dissimilar rural poverty alleviation programmes which have preceded it in India, are as follows:

- The programme, and the rights and responsibilities involved, are enshrined in an Act of Parliament. The states are legally required to abide by its terms, and to provide work to all those who apply, within fifteen days.
- The benefits of the programme are open to anyone who applies, so long as he or she resides in one of the selected districts. There are no complex eligibility rules, which are so often used to deprive those who are already deprived.
- The programme is not limited by any special budgetary allocation; it is centrally funded, and anyone who applies is legally entitled to be given work on the specified terms. The Government of India has allocated about two and a quarter billion dollars to the NREGA for the financial year 2006/2007, and the state level authorities cannot take refuge in the alleged lack of funds.
- The programme does not involve any significant subsidy to those who take advantage of it. They have to work for a minimum wage, and to work hard. It is not attractive to 'hijackers', at least if it is implemented as it is meant to be.
- The programme is to run for many years; there are no deadlines, and those who fail to hear about it, or to apply when they do learn it is available, can apply later. This effectively unrestricted supply limits the opportunities for rent seeking.

### 3.2. Some operating details

Some key operating details of the programme are summarised below, under the six headings of institutions, beneficiaries, timing, payments, tasks and management which were used as the basis of the enquiry.

#### 3.2.1 Institutions:

Every State Government is required to nominate a senior officer to be responsible for the NREGA in each selected district. This is usually the Collector, or District Magistrate, who is already over-burdened but does have the advantage of also controlling most other functions in the district so that the

NREGA can be co-ordinated with the needs of other related programmes such as rural roads, irrigation and many others. The Collector must then nominate a full-time chief officer to the programme.

A further full-time programme officer is then nominated at the block level; this person, like his or her district-level counterpart, is paid for from central government funds. States cannot use the excuse of lack of finance to delay this appointment.

At the village level at least half of the works carried out under the programme must be implemented through the Panchayati Raj institutions (PRI), which are the lowest level of elected government. The balance of the works may be implemented by NGOs, or line departments of government.

The PRI were until recently more or less moribund in many parts of the country, and elections had not been held for many years. The village and block level bodies have always had full time staff, however; they have not always received their salaries, and the task has been in many places a virtual sinecure, but the basic framework exists. The PRI have recently been revived in most states. Elections have been held, 30% of the seats have been reserved for women, and they are becoming increasingly active.

The case of Jharkhand, one of India's most backward states, is instructive, since it is now the only State where no elections for PRI positions have been held for a long period, and the PRI are still inactive. In Jharkhand, informal 'Gram Sabhas' are in theory being used instead. These are often controlled by vested interests, and some contractors and unofficial middlemen are becoming involved. In order to avoid this, most of the works are actually being identified and managed by government line departments. These too are far from free from interference.

### 3.2.2. Beneficiaries

The two hundred poorest rural districts of India (out of a total of well over 400 districts) were selected for the first phase of the programme. These were selected according to a formula based on the level of farm wages, the proportion of 'scheduled caste and scheduled tribes' (SC/ST) in the population and low agricultural productivity. The list was subsequently slightly modified in order to allow each state to have at least one district in the final list.

Beyond this, beneficiaries are self-selected. Anybody who resides in a selected district, however wealthy or poor she or he may be, can apply for a job card. One card is issued per household, although it is planned in the future to issue cards at the individual level. In my own experience in many Indian villages, the names and numbers of households are well known to most people; residence or otherwise is not a contentious issue.

The application procedure has been simplified as much as possible, in order to avoid corruption of the kind that has bedeviled the issuance of documents such as ration cards for people below the poverty line. The main protection, of course, is that everyone in the district who wants a card can have one. There is no eligibility requirement apart from residence, and the very fact that over 24 million people had applied for cards and 16 million had been issued by the end of April suggests that this is working. Job cards must in any case be issued within a month of application.

People will of course not apply if they do not know about the programme. It was meant to be announced in every village on Republic Day, 26<sup>th</sup> January 2006, at the local celebrations which take place every year on that date and are usually well attended. The Prime Minister's personally handed over the first job cards the following week in Anantapur in Andhra Pradesh, and this event was of course widely publicised. The programme is also being announced by the Indian equivalent of 'town criers', men with drums who walk round villages with the latest official announcements.

There is no deadline for applications, however, and nor need people wait until they need work. They can apply for a job card at any time, and can then request work when they need it. The procedure for application is simple, partly because so little information is needed. A photograph is required for security purposes, but this too can be paid from funds provided by the central government. In some more remote areas of Jharkhand and other states, where there are no conveniently located photographers, the authorities have commissioned photographers to visit villages and to take photographs of job card applicants.

People under eighteen or over sixty years of age are not eligible. When a disabled person applies for work efforts are made to give them sedentary tasks. In some cases child care has also been arranged to allow mothers with young children to participate.

### 3.2.3. Timing

The timing of work is not an issue, in theory at any rate. Once a person has a job card, and the figures suggest that job cards are issued quite soon after people ask for them, he or she can demand work and employment must by law be provided within fifteen days. The work must last a minimum of fourteen days,

If this is not done, the State government is required to pay the applicant a special unemployment allowance at 25% of the wage payable for the NREGA, for 30 days, without requiring him or her to work. This allowance has then to be increased to 50% of the state minimum for the 70 day balance of the applicant's entitlement of 100 days employment, or until work can be provided. These

allowances have to be paid from State Government funds, so there is a powerful incentive to provide work under the NREGA, which is paid by the central government.

The major demand for work is expected in the April to June summer season, and between November and March when crops are ripening but not yet harvested. The programme is therefore being thoroughly tested at the time of writing.

#### 3.2.4. Payments

The Act allows the States to fix the wage rates as they think fit, but it is recommended that they should use the state minimum rates. These vary from forty to fifty rupees a day in poorer states to well over a hundred rupees elsewhere. These rates are somewhat higher than the market clearing rate for unskilled labour, but not so much higher as to encourage more than a minimum of rent seeking.

The Act also states that the Government of India reserves the right to impose a wage rate should it so desire. This rate is likely to be around sixty rupees. The Government is only likely to use this right should any states either pay too much, thus exploiting the availability of central funds, and increasing the opportunities for corruption, or pay too little, perhaps at the behest of larger farmers who do not want the market for casual agricultural labour to be 'spoiled' by the availability of work under the NREGA.

The actual daily rates paid in the states from which I obtained information are as follows:

Andhra Pradesh	Rs 80
Jharkhand	Rs 52
Orissa	Rs 52.50
Karnataka	Rs 62.50

These minimum wage rates reflect the poverty level and market rates in each State. In Kerala for instance, one of the better off states, the rate is Rs 136 per day, approaching three times the rate in Jharkhand.

These rates are converted to piece work rates for many jobs, in order to ensure that workers do actually work productively rather than treating the wage as a form of unemployment allowance. This has led to some dissatisfaction, as is shown in the attached explanatory memorandum from the Government of Andhra Pradesh. The Chief Minister of Rajasthan, who is like her counterpart in UP a member of the party in opposition to the governing party in New Delhi, has

publicly criticised the system whereby the daily rates are converted to piece work rates. This criticism is more likely to be for party political purposes than to reflect genuine discontent, but the detailed schedule in Andhra Pradesh (which is governed by the Congress party ) shows that this issue can be dealt with equitably.

There has also been some debate in the press about the failure of the NREGA rates to attract sufficient workers, but this seems generally to be based on the misconception that the programme is designed primarily as a way of building public works rather than for poverty alleviation. If nobody is attracted by the minimum wage, this shows that there are at least some alternatives available, and that the NREGA is not needed.

The central Government covers 100% of the basic unskilled wage costs, and associated expenses such as stationery and management, but the state governments have to cover 25% of the costs of any skilled labour that is required, and 50% of any material or machinery costs. This provision is designed to encourage the maximum use of unskilled labour by those whom the NREGA is designed to assist, and to discourage state governments from misusing the NREGA as a way to get the Centre to cover the cost of works that are being carried out anyway, irrespective of the NREGA.

Payments are usually made in cash, not in kind, and in some states wages have to be paid into post office or other bank savings accounts, to avoid the risk of loss or theft. If as is often the case the workers do not have accounts, they are assisted to open them.

### 3.2.5. Tasks

The tasks selected for work under the NREGA tend necessarily to be fairly simple and small because they have to be capable of being started with two weeks' notice at most, to be very labour intensive, and to be completed within less than three months, unless they can be undertaken by successive teams of workers, which is difficult to manage. They must also be near to workers' homes, since workers have to be paid an extra allowance of 10% of their daily wage if they have to travel more than five kilometers.

The tasks are meant to be chosen from the 'shelf' of projects in the very detailed 'wish lists' which were already prepared by each village for the 150 districts covered by the NREGA's predecessor, the National Food for Work Programme, and are now under preparation for the additional 50 districts included in the NREGA. These lists are extraordinarily precise and detailed; they include a wide variety of projects, mainly very modest, such as local *kacha* roads, culverts, strengthening embankments, de-silting irrigation canals, ditches and so on.

Because the tasks are so local, they are likely to benefit all the people who are

employed to work on them. Landless people will of course not benefit directly from irrigation works, but better irrigation usually means increased labour requirements, so these works should benefit landless people too, albeit indirectly. Projects are also allowed on private land, for one person's benefit, but only when the landowner belongs to a scheduled caste or tribe. All other projects have to be for public benefit.

Most projects are quite small, because they have to be able to be started at short notice, and to use little skilled labour or materials. They can involve as few as ten or fifteen people, for no more than ten days, but some larger projects employ up to 200 people, and can last for two months or more. They are mainly new projects, but many involve repair and rehabilitation of existing facilities, or sometimes completion of previously unfinished works.

### 3.2.6. Management.

The basic field level document for the NREGA is the worker's job card. This should be issued to each job seeker when she or he applies, and not only once work has been provided. It constitutes what is effectively a passport for work under the programme. It is a quite simple booklet, which contains details of the household and the individual beneficiary, a unique job seeker's number, and a record of the card-holder's demands for work, and details of jobs provided. There is space for fifteen demands, and twenty jobs, and the card is intended to last for five years.

The record of jobs provided includes reference to the unique muster roll which is to be maintained for each job, and this roll also contains details of all those who were employed on each job. The muster rolls have to be publicly displayed in each village, even when a particular task has been managed by a body other than the village PRI. In theory at any rate this double entry system should prevent most egregious attempts to have 'ghost' workers or 'ghost' jobs. These job cards are being prepared in local languages; an English language version of the Orissa state job card is attached to this report.

A local 'vigilance committee' has to be appointed for each task, which reports to the village PRI or Gram Sabha. At the state level, implementation of the NREGA is monitored by a committee which is nominated by the Supreme Court of India, pursuant to a decision of the court regarding states' non-compliance with earlier acts of parliament. This is a voluntary task, but the task has attracted a number of high level and authoritative people who are willing to give their time to it.

There is a comprehensive MIS to monitor implementation of the NREGA. This provides up-to-date information as follows:

- the numbers of applications for job cards,

- the numbers of cards issued,
- the numbers of people and households who have demanded employment,
- the numbers of people and households who have been provided with work,
- the numbers of jobs in progress, and
- the funds disbursed.

Readers can access the current performance, at the national, state and district level, at <http://nrega.nic.in/Staterrep/strep.htm>. The figures as at 26<sup>th</sup> April, three days before my visit to the Ministry of Rural Development, are included in the print-out appended to this report. They include over 24 million applications for job cards, 16 million job cards issued, 7 million demands for work and 5.3 million people provided with work.

A group of 800 volunteers toured Dungarpur District of Rajasthan in late April and May 2006, in order to monitor the quality of implementation of NREGA. Many of the members were activists who were well-known for criticizing all manner of government programmes, but they came up with surprisingly positive findings. The NREGA had only started at the end of March, but already about 150,000 people in the District, around half the rural population, had been employed under the programme, in some 14,000 projects. Some three-quarters of them were women. This success was achieved in spite of the fact that Rajasthan is under the control of the BJP, and is in opposition to the Congress party which initiated the NREGA. There were many outstanding problems, particularly relating to the choice of projects and the calculation of piece work wages, but in general the programme was judged to be very successful. ('Frontline', Chennai, May 2006)

The Ministry has also issued a comprehensive set of operational guidelines, which is provided to all the relevant officials. A copy of this quite substantial and very detailed booklet is attached to this report.

## PROBLEMS WHICH CAN ARISE

There are obviously a large number of problems that can arise in the implementation of a programme of this size and complexity. The design, and, thus far, the implementation of the Indian NREGA appears to be based on clear recognition of most of the likely problems, which is hardly surprising given the long and generally unsatisfactory experience of programmes of this type in rural India.

Some of these problems are mentioned below, together with some suggestion as to how they are being dealt with in the NREGA. They are listed under the same headings as have been used above. In some cases such instances were mentioned to me in conversation, others have been covered in the press, and others are well known to have occurred in similar poverty alleviation programmes

in the past:

Institutions – who does what ?

Problem	How avoided
There are no competent institutions to administer the programme at the village level	This problem can be turned into an opportunity, by using the programme as a tool to create a local institution which is genuinely representative of the poor. Because of the low wages, such an institution is less likely to be 'hijacked' by special interests.
Existing institutions are in the hands of the elite, or of NGOs or government departments which see them only as tools through which to deliver their own agenda.	The low wages mean that the programme is not attractive to the elites. Existing NGO-sponsored institutions, such as savings and credit groups, are avoided since they have their own priorities which are different and may conflict with this programme.
Responsibilities are unclear, so that some tasks are not done and others are duplicated.	Responsibilities must be clearly defined, and must be clearly and openly explained to all parties, including the workers.

Beneficiaries – who gets the jobs ?

Problem	How avoided
'Ghost workers' are listed as employed, and administrators take their wages	Triple entry lists of job card applications, job cards issued, work requests and project muster rolls are maintained and displayed. Regular audits carried out by disinterested volunteers.
The poorest people are kept in ignorance of their entitlement, or are discouraged from applying.	The programme is widely publicized, in every part of every village. Wages are kept low so as to be unattractive to better-off people. There is no time limit or deadline for applications.
Better-off people monopolise the programme	The wages are kept too low to be attractive to anyone but the most needy.
Informal 'brokers' act as 'gatekeepers' and demand payments for registration.	The wages are kept so low as to leave little room for bribes. The job card application and work demand system is kept very simple and transparent.

Timing – when is the work provided ?

Problem	How avoided
Jobs are not provided at times when poor people need work	Jobs have to be provided within a stated, short interval of being demanded, even if only one person asks for work at a particular time.
There are no jobs available when people demand work	A 'shelf' of projects is prepared in advance through consultation in the

	village
Projects do not last long enough, or last too long, to match demands	A wide variety of projects are included in the 'shelf'.

#### Payment – how much are workers paid, and how ?

Problem	How avoided
There are endless disputes about how much people should be paid	The daily rate is fixed at the state level, is the same for men and women, and cannot be varied.
Slower workers delay the completion of projects	Wages are paid on a piece-work basis, but informal allowances are made for disabled people and other slower workers
Programme administrators retain some part of the wages which are due	Wages rates are standardized, and widely publicized.
Cash payments are lost, stolen or purloined by brokers	Wages are paid into post office or bank accounts, which workers are assisted to open if necessary.

#### Tasks – what projects are done ?

Problem	How avoided
The chosen projects benefit only the rich	The preparation of the job shelf is widely publicised and participatory. Most jobs are small and local.
'Ghost' projects are presented as having been done, and people collect wages (less an informal payment) for doing nothing.	The whole process of project selection and completion is transparent, and monitored, and most projects are too small to be worth 'hijacking' in any way.

#### Management – How is the programme managed ?

Problem	How avoided
Faulty or underweight materials are used	The projects have to be labour-intensive, using few materials, and since they are for the benefit of the community there can be some quality maintenance by the workers.
Projects are 'signed off' as being completed, when they are not finished, and the officials take payment for this	Regular audit, transparency, and projects are chosen by and for the benefit of the community so that they have an interest in seeing them done properly.

### IMPLICATIONS FOR DESIGN OF PROPOSED CLP PROGRAMME

There are a number of critical differences between the Government of India, its respective states, and Indian villages, and the CLP, the Bangladeshi local

government entities, and the settlements on the chars. These include:

- The NREGA is an Act passed by the parliament of the Government of India. The states and all the institutions below the state government must obey it. CLP does not have any support of this kind.
- The NREGA is committed to last for at least five years, and it is envisaged that it may continue for many more years, so long as there is a demand for it. The CLP is a time-bound donor-funded project.
- The Government of India can to an extent control the State governments, and they in turn have some legal authority over the panchayati raj institutions. The local government bodies in the chars owe no allegiance to the CLP, apart from their need for funding.
- The panchayati raj institutions vary in their quality and their ability to represent their constituents, but in most of India they do exist, and they have some paid officials. There is apparently no equivalent local government body in the chars.
- Many bread winners from poor Indian rural families migrate every year to seek wage employment elsewhere, and a few complete households do the same. Most people however remain at home. The floods force most and sometimes all chars dwellers in a given community to migrate, every year.
- Indian villages tend to be faction-ridden and disunited, and village-wide fraud rarely goes completely undetected without protest except in some very poor caste dominated communities in Bihar and Eastern Uttar Pradesh. Many chars villages lack any 'voice', even of this kind, and it may therefore be easier for one or a few leaders to cheat a whole village.
- The average level of education in Indian villages is low, but it is lower still in the chars. This makes it easier to prevent poor people from knowing about their rights, and to deprive them of their entitlements even if they do have some idea of their rights.

For all these reasons, and probably many more, the design and management of guaranteed work programme is likely to be even more difficult in the chars than in most if not all of India.

The CLP does however have some advantages; it is a small organization, and can presumably make quite fast decisions, it is operating in a relatively confined if not always accessible area, and is generously funded.

At this stage it is premature to make any specific recommendations for the design and management of a wage guarantee programme in the chars, but certain general guidelines may be useful as a basis for the design process.

- The programme must be aggressively publicized, at the level of the villages, through every possible medium of communication.
- The system for applying for and recording registration, and for recording work done, must be simple and readily explainable to illiterate workers.
- Assistance must be available for people who cannot understand their entitlement or how to obtain it.
- The programme must be offered for a long period, at least until the end of the CLP, and applications for registration of workers, and demands for work, must be accepted at any time, without deadlines. Sufficient funds must be allocated to make this possible.
- The wage rates must be set close to the market rate for casual labour in the chars. There must be no incentive for rent seeking, and it would probably be appropriate to set a standard rate throughout the year which is slightly below the wages paid during the peak labour seasons, in order to avoid attracting workers away from necessary farm work.
- All residents in the chosen areas must be eligible; there must be no need to prove a certain level of poverty, and the wage rate must be low enough to be of little interest to the non-poor.
- Work must be made available as and when it is demanded, and within a fixed short period after it is requested. The managing authorities must maintain a 'shelf' of tasks which can be started at short notice, to make this possible.
- The managing authorities at the village level must have incentives to maximise the use of unskilled labour and to minimise the use of skilled labour, raw materials and equipment.
- There must be a simple and transparent system for recording who has done what jobs, with some form of 'double entry' to minimize fraud.
- The tasks must be local, small-scale, simple and obviously useful to the people who are going to work on them.

- The programme should if possible be used to enhance and strengthen the authority of existing or new representative village level management entities, and its implementation should probably not be entrusted to existing NGOs.
- There must be a well-publicised and effective complaints procedure, which allows people to appeal to authorities above the village level if needed.

## **Annexe One, schedule of questions for state-level informants**

From: Malcolm Harper.

Subject: National Rural Employment Guarantee Programme (NREGP)

Date: 14<sup>th</sup> April 2006

Colleagues who work with very disadvantaged people who live on the shifting sand river islands or 'chars' in Bangladesh want to start a guaranteed wage scheme to help these people get over the 'monga' or hungry season, when many have to go hungry, to migrate or even to starve. They have asked me to find out some operational details about the new NREGP 100 days guaranteed work programme in India, as a basis for their scheme.

Below you will find a list of questions under seven headings. Please try to get the necessary information, as briefly as possible, not only or mainly from state level officials but from people who are or will be actually involved in implementing the REGP, in one district or taluk or village in your state. If you can get to the field and talk to some actual 'beneficiaries' as well as field-level administrators, so much the better.

Please try to go beyond whatever has been written in the Act, in official gazetted notices and so on. Find out what is actually happening, not just what is meant to happen.

More important than these questions, are the things I have not thought of. What unexpected things go wrong, and how are they dealt with ?

Please include a note of who gave you the information, and, MOST important, please be sure to e-mail to me ([malcolm.harper@btinternet.com](mailto:malcolm.harper@btinternet.com)) the completed schedule of questions and answers, along with your own insights, by 6<sup>th</sup> May 2006. Please be concise and brief, I want facts not opinions or intentions. Try to type your answers in the spaces I have left after each question, only go over this space if absolutely necessary.

Please send any supporting documents along with your replies.

### **A. Institutions, who does what ?**

How are the various projects allocated between different institutions, and who actually does what ? Be precise, and say what is happening, not what is intended to happen.

What projects are performed by the administrative machinery, by Gram Panchayats, by NGOs, by SHGs or their federations, by private contractors, and so on ? Are new government NGO or community-based institutions being set up to do it, or are existing institutions doing it?

## **B. 'Beneficiaries', who selects them and how ?**

How are the eligible districts selected, and by whom ?

How is the scheme publicized, how do eligible people know they are eligible ?

What must eligible people do to get the work ? What forms are needed, who will fill them in for illiterates ?

What are the criteria for selecting beneficiary households and individuals ? Are existing BPL lists, SC/ST lists and so on used, or are new lists being created ? Are men preferred over women or vice versa ?

Is selection done on a village or block basis, so that everyone who lives in a selected place is eligible if they chose to enroll, or are people selected individually ?

What arrangements are made for disabled people, or mothers with young children who cannot easily leave home, or women headed households?

What are the age limits ? How young and how old ?

How are unofficial 'brokers' avoided ?

For how long is a given community or household eligible ? Is it the intention that the scheme will eventually 'wither away' as people cease to want low paid manual work because better options are available, or will it go on for ever ?

## **C. Timing, when in the year will work be offered ?**

When during the year are the 100 days scheduled, and why ?

Will the work be available only during the 'hungry season', when people usually migrate or go hungry, or will it be available year round?

How will people who usually migrate be able to decide whether to stay at home or to migrate as usual, given that work under the scheme may be uncertain ?

Will the 100 days be scheduled to avoid the seasons when people with land, or who do farm labour, are doing agricultural work ?

## **D. Payment, how are the wages paid ?**

How much is paid per day ? Does the amount vary according to local market rates, is it the state minimum wage, or is it the same nation-wide ?

Is the payment on a per hour or per day basis or a piecework basis ?

If on a per day basis, how are 'free-riders' avoided, and if on piecework, how and by whom are the rates set, and how are weaker people allowed for ?

Is the payment in cash or in kind ? Is payment made daily, weekly, or monthly ?

Are there any arrangements to help beneficiaries to bank their earnings to avoid loss ?

Are the wages the same for all levels of skill and productivity, and for men and for women ?

### **E. Tasks/Projects, what work is done ?**

Give some examples of specific projects on a separate sheet.

Who decides what projects are to be done ?

Do people work on projects which directly benefit themselves and their own communities, or on larger more general projects whose relationship to their own lives is less clear ?

Are the projects within easy walking distance of people's homes ? If not, who provides and pays for transport ?

Are the projects 'make-work' projects, which are really of little value, digging holes and filling them up again, or are they really needed projects ?

How many people are employed on a typical task ? Ten, a hundred, a thousand ?

How long will it take to complete a typical task ? A day, a week, a month, 100 days, longer, more than a year ?

Are the projects sometimes existing projects taken over from private contractors or are they always new projects ?

### **F. Management**

Who supervises the work, on-the-job, and who pays for the supervision ?

Who arranges for the procurement of non-wage requirements, cement, transport, other materials and so on, and who pays for these supplies ?

Is there a fixed percentage of labour wages allowed for administrative costs, or are administrative costs covered on an actual costs incurred basis ?

Are local contractors paid to manage the projects, and if so, how can they be prevented from taking a 'cut' from the wages they are meant to pay to the workers ?

Are there any problems with trades unions which object to the use of non-union labour ?

Are management agencies, whether they be NGOs, private firms, Gram Sabhas or Gram Panchayats selected by a bidding process ? If not, how are they selected ?

## **Annexe two: Response from Andhra Pradesh**

### **Respondents**

1. **A Murali**- Director, Employment Guarantee Scheme, Rural Development Department, Government of Andhra Pradesh
2. **P. Rajasekhar**- Gram Panchayat Secretary, Peddappally Village, Maldakal Mandal, Mahabubnagar District, Andhra Pradesh

### **A. Institutions, who does what?**

*How are the various projects allocated between different institutions, and who actually does what? Be precise, and say what is happening, not what is intended to happen.*

The following schedules show the functions to be carried out by institutions at the village, mandal and district level provided on the website set up by the AP Government for the scheme. It is followed by a responsibility table drawn up by Naandi on the basis of information provided in the Government Order on the scheme in A.P. (The information in both annexures will overlap to a certain extent)

*What projects are performed by the administrative machinery, by Gram Panchayats, by NGOs, by SHGs or their federations, by private contractors, and so on? Are new government NGO or community-based institutions being set up to do it, or are existing institutions doing it?*

NGOs are not involved in directly implementing the scheme. They are involved in Social Audit and Capacity Building of Field Assistants, Technical Assistants and Program Officers. About 40 to 50 people from NGOs have been designated as State Resource Persons and District Resource Persons for capacity building activities for which they are paid a fee from the program's administration costs.

The Government Order ( G.O.) dated 28<sup>th</sup> January 2006 on the scheme in A.P. says

“Non-Governmental Organizations shall be involved as partners in community mobilization, capacity building, social audit and monitoring of processes related to rights and entitlements of the workers.”

### **B. 'Beneficiaries', who selects them and how?**

*Eligible districts have been selected by the Government of India. How are the eligible districts selected, and by whom?*

The National Rural Employment Guarantee Scheme has been launched in the 200 'most backward' districts. It will be gradually extended to the whole of rural India except Jammu and Kashmir within 5 years i.e. by mid 2010. This gradual extension requires “notification” of additional districts by the Central Government.

In 2005, 13 districts of Andhra Pradesh have been notified. The EGS Director in A.P. said that irrigation facilities, Scheduled Caste and Schedule Tribe population and drought-prone nature of the district constitute some of the criteria for their inclusion in the most backward list.

*How is the scheme publicized, how do eligible people know they are eligible?*

The Government has used the following means of communication to publicize the scheme and criteria for eligibility:

- 1) T.V., radio & newspaper advertisements
- 2) Gram Sabhas (village meetings)
- 3) Posters
- 4) Advertisements on Road Transport Corporation buses
- 5) Audio cassettes
- 6) Short films
- 7) Brochures and pamphlets

The majority of villagers come to know about the scheme only after a particular 'work' is started in a village. A "Dhandora" (drum-beating announcer) goes around the village alerting everyone to the start of a work and calling for registrations from eligible households.

*What must eligible people do to get the work? What forms are needed, who will fill them in for illiterates?*

Eligible persons need to fill out an application for work containing a request for a Job Card and enrollment number and submit it to the Panchayat Secretary. The application can be made in the form provided or on a plain paper containing names of the adult members, their age, social status and address of the household. A "Field Assistant" appointed by the GP or the Anganwadi (Pre-School) Center worker fills out the application form on behalf of illiterate persons.

*What are the criteria for selecting beneficiary households and individuals? Are existing BPL lists, SC/ST lists and so on used, or are new lists being created? Are men preferred over women or vice versa?*

As per the Scheme "every registered rural household" is eligible for 100 days of wage employment, on demand, in a financial year. A "Job Card" is issued to a family and all the names of adult members in that family are included in the Job Card.

The G.O. on the scheme in A.P. says, "Addition or deletion eligible to seek work shall be carried out in the Job Card as and when required or at the beginning of the financial year."

## On Gender

Under Section 5 of the G.O. issued by the Govt. of A.P.

(5) "Priority shall be given to women in such a way that at least one-third of the wage seekers shall be women who have registered and requested for work.

(7) " There shall be no discrimination solely on the ground of gender and the provisions of the Equal Remuneration Act 1976 ( 25 of 1976) shall be complied with.

While there is no discrimination based on gender, the Panchayat Secretary plays a key role in deciding who is eligible for the scheme.

*Is selection done on a village or block basis, so that everyone who lives in a selected place is eligible if they chose to enroll, or are people selected individually?*

Adults from rural households are registered for the scheme in every Panchayat on the basis of whether they are registered as belonging to that Panchayat or not.

*What arrangements are made for disabled people, or mothers with young children who cannot easily leave home, or women headed households ?*

Disabled people are entitled to "soft works", that is services identified as "integral to the program".

Not many disabled people have applied for the scheme. The EGS Director said that households with a disabled adult member are entitled to 150 days of work as opposed to 100 days a year. The wage rates applicable to work done by disabled people are at special rates. The Peddapally village secretary said that disabled people were entitled to a "helper" or "drinking water facilities" at the site of work.

*What are the age limits? How young and how old?*

A person must be 18 years to enroll for the scheme.

*How are unofficial 'brokers' avoided?*

There is no room for " unofficial brokers" as payments are made directly to individual beneficiary bank accounts at the local post office.

*For how long is a given community or household eligible? Is it the intention that the scheme will eventually 'wither away' as people cease to want low paid manual work because better options are available, or will it go on for ever ?*

A household is eligible for the scheme for 100 days of work in a financial year.

Currently, the scheme offers a better wage rate compared to the rate for agricultural labour.

### **C. Timing, when in the year will work be offered ?**

*When during the year are the 100 days scheduled, and why ?*

Works will be carried out all through the year. Each family is only entitled to 100 days of wage labour.

*Will the work be available only during the 'hungry season', when people usually migrate or go hungry, or will it be available year round?*

Works will be carried out throughout the year. Demand for work is expected to increase during the 'hungry season' and hence the government will have to be prepared to start many more works during the summer.

*How will people who usually migrate be able to decide whether to stay at home or to migrate as usual, given that work under the scheme may be uncertain?*

Every Village Panchayat has prepared a 'shelf of works' to be carried out for the whole year. There are very few cases where works have been completed and there are no works to be taken up immediately.

*Will the 100 days be scheduled to avoid the seasons when people with land, or who do farm labour, are doing agricultural work?*

No, works have been scheduled the whole year round including days when people with land may be involved in agricultural work.

### **D. Payment, how are the wages paid ?**

*How much is paid per day ? Does the amount vary according to local market rates, is it the state minimum wage, or is it the same nation-wide ?*

The minimum wage rate under the scheme in Andhra Pradesh is Rs 80 per day. While the minimum rate set by the government of India is Rs 60 per day, the states have the flexibility to set their own minimum wage rates.

*Is the payment on a per hour or per day basis or a piecework basis ?*

Payment is on a piecework basis. Rates for different kinds of work have been decided through time and motion studies conducted in eight districts. Every worker is expected to work for 7 hours excluding 1 hour for lunch and rest. There are no differential rates for weaker workers. It is expected that 50% of each group will be women workers and the rates have been set using the same assumption.

*If on a per day basis, how are 'free-riders' avoided, and if on piecework, how and by whom are the rates set, and how are weaker people allowed for?*

Rates for different works have been set on the basis of group outputs. Group members are expected to apply peer pressure to prevent 'free-riders' from taking advantage of the scheme structure.

*Is the payment in cash or in kind ? Is payment made daily, weekly, or monthly ?*

Payment is made in cash to the bank account of the individual beneficiary at the local post office on a weekly basis.

*Are there any arrangements to help beneficiaries to bank their earnings to avoid loss ?*

Most beneficiaries withdraw their earnings within a few days of receiving their payment.

*Are the wages the same for all levels of skill and productivity, and for men and for women ?*

Wages are equal for men and women. However, wages are variable based on productivity subject to a minimum of Rs 80 per day. Beneficiaries in A.P. are earning as much as Rs 120 per day.

### ***E. Tasks/Projects, what work is done ?***

*Who decides what projects are to be done ?*

The Gram Panchayat based on decisions taken at a Gram Sabha decides which projects are to be taken up in what order of priority.

*Do people work on projects which directly benefit themselves and their own communities, or on larger more general projects whose relationship to their own lives is less clear ?*

In 99% of the cases, beneficiaries are working on works that are extremely localized. In Peddapally , laborers are working on a lift irrigation project called “ Nettampadu” that will directly benefit their village.

*Are the projects within easy walking distance of people’s homes? If not, who provides and pays for transport?*

Given that almost all projects are extremely localized there has been no need to transport payment. The G.O. stipulates that if an applicant is provided with employment outside a radius of five kilometers of the village where he/she resides at the time of applying, he/she should be paid an extra 10% of the prevailing wage rate to meet the additional transportation and living expenses.

*Are the projects ‘make-work’ projects, which are really of little value, digging holes and filling them up again, or are they really needed projects?*

The projects are all necessary

*How many people are employed on a typical task ? Ten, a hundred, a thousand ?*

Across the state 20-25 people are employed on a “work” under the scheme. In Peddapally village people are generally employed in groups of 50.

*How long will it take to complete a typical task ? A day, a week, a month, 100 days, longer, more than a year ?*

The average time required to complete a work allotted under the scheme is 30 days.

*Are the projects sometimes existing projects taken over from private contractors or are they always new projects ?*

No. All the works taken up under the scheme are new. These works are not the kind that can be carried out over several months like roads and large construction projects, hence it is unusual to find private contractors engaged in them.

### **F. Management**

*Who supervises the work, on-the-job, and who pays for the supervision ?*

A Field Assistant employed by the Gram Panchayat is responsible for supervision of the work on the job. His/her salary is currently being paid for as part of the cost of the work.

*Who arranges for the procurement of non-wage requirements, cement, transport, other materials and so on, and who pays for these supplies?*

The Gram Panchayat arranges for procurement of non-wage requirements. The secretary or the President engages the supplier/tractor and sends the bill along with a certificate of receipt to the MPDO who is responsible for making the payment to the supplier's bank account.

*Is there a fixed percentage of labour wages allowed for administrative costs, or are administrative costs covered on an actual costs incurred basis?*

The G.O. issued by A.P. says that the total administrative cost of the scheme shall not exceed 6% of the annual allocation for the district. The administrative cost includes expenditure related to Information, Education and Communication, capacity building, staff costs, management information system and operations and maintenance.

The Director EGS feel that this percentage needs to be increased to 10% in order to have effect supervisory systems (more on ground personnel dedicated to the scheme). One Program Officer at the block/mandal level is not enough. Such a move would reduce the scope for corruption and improve scheme efficiency in terms of timely payments, quality work etc. He also feel that at least 1-2% should be set aside exclusively for Social Audit of the scheme as this component could get de-prioritized among administrative costs.

*Are local contractors paid to manage the projects, and if so, how can they be prevented from taking a 'cut' from the wages they are meant to pay to the workers?*

Local contractors are not involved in managing the projects.

*Are there any problems with trades unions which object to the use of non-union labour ?*

There have been no problems from trade unions.

*Are management agencies, whether they be NGOs, private firms, Gram Sabhas or Gram Panchayats selected by a bidding process ? If not, how are they selected ?*

Gram Panchayats are responsible for implementing the scheme as the village level. NGOs have been involved in select activities on the basis of their competency in order to prevent the entry of NGOs without good credentials ( floated by politicians and other vested interests) into the scheme functioning. The EGS Director admitted that the selection of NGOs was a sticky issue.

**Andhra Pradesh (continued):****Functions at Various Levels:****I Functions at Grama Panchayat (GP):**

1. Mobilisation of rural households for registration,
2. Registration of Households for Job card,
3. Issue and revision of job cards,
4. Receive Applications for wage employment & allot work,
5. Identification of works with in the GP,
6. Preparation and forwarding of proposals to Mandal Parishad Development Officer ( MPDO) / Program Officer (PO) / Mandal Parishad,
7. Execution of works allotted to GP,
8. Facilitate timely payments and provide facilities at work place to workers,
9. Display information relating to woks and labour,
10. Post information relating to workers employed, material procured and consumed,
11. Monitoring of the works,
12. Maintenance of Muster rolls, Register of Works, Supplier information of GP & social audit related records and registers,
13. Forwarding of copies of muster rolls to MPDO / PO,
14. Preparation and submission of MIS to the MPDO/PO,
15. Addressing of grievances and maintenance of grievance register.

**II Functions at Mandal Parishad:**

1. Maintenance of Master data of beneficiaries (as to skilled and unskilled),
2. Maintenance of Muster rolls, Register of Works, Supplier information of all the GPs,
3. Maintenance of master data of approved/sanctioned works,
4. Approval of proposals from GPs within the mandal and mandal level proposals,
5. Planning, Implementation and supervision of projects at GP level and mandal level,

6. Communication Campaign and organization of scheme,
7. Mobilisation and Awareness, Campaigning of the labour,
8. Conducting of Social Audit,
9. Establishment of Labour Friendly office,
10. Identification of works involving more than one GP,
11. Preparation and forwarding of proposals, in certain cases, to District Program Controller (DPC)
12. Issue of pass orders for making payments to workers and to the supplying agencies,
13. Compilation and submission of MIS of all GPs within the mandal to the DPC
14. Addressing of grievances and maintenance of grievance register.

### **III. Functions at DPC office:**

1. Review and approval of District EGS plan,
2. Supervise and monitor projects at district and mandal levels,
3. Review of Programme implementation for quality control and vigilance,
4. Identification of works involving more than one Mandal Parishad,
5. Preparation of labour budget in the month of December every year for next financial year,
6. Maintenance of books of account and obtaining the accounts audited,
7. Printing and supply of muster rolls,
8. Compilation and submission of MIS of all MPDOs/PO within the district to the APSEGC,
9. Addressing of grievances and maintenance of grievance register.

<b>Andhra Pradesh (continued) - Responsibility Table</b>			
<b>Level</b>	<b>Institution</b>	<b>Person</b>	<b>Responsibility</b>
Village	Gram Panchayat ( GP)	Panchayat Secretary ( PS)	Receiving applications, registration, issuance of job cards
		Field Assistant ( FA)	Assists Secretary in maintaining records and supervises works to assist Technical Assistants at the Mandal level
Mandal	Mandal Parishad ( MP)	Mandal Parishad Development Officer ( MPDO)	Assists GP and MP
		Technical Assistants (TA)	2 from Engineering, 1 from Agriculture/Horticulture to assist the MPDO
		Accountant cum Computer Assistant	Supports the GPs at Mandal level
	EGS Programme Officer (EGSPO)	Programme Officer	Ensures the following-village EGS plans match employment demand, works commence on time, employment demand is met on time , workers receive due entitlements, social audit through Gram Sabha. Disposes complaints and grievance redressed.
		Accountant cum Computer Assistant	Assists the EGSP0
	Mandal Samakhya (federation of Village Organizations (VOs) of the poor)	Social Organizer	builds capacities of wage-seekers through VOs and SHGs to access their rights and entitlements. Assists the EGSP0 in IEC activities
District	Zilla Parishad (ZP)		Approves the District EGS Plan which includes consolidated Mandal EGS plans, its own proposals and proposals received from other line departments. Reviews program implementation,

			supervises and monitors projects taken up at district and mandal levels
	Integrated Tribal Development Agency (ITDA)	Governing Body	Performs ZP functions in tribal areas
	Collectorate	District Collector ( DC)	District Program Coordinator for the scheme
	District Water Management Agency (DWMA)	Project Director	opens an EGS unit to assist the District Collector
	Zilla Parishad	Chief Executive Officer	assists the DC as an Additional District Programme Coordinator in scheme implementation through the GPs
	District Rural Development Agency	Project Director	assists the DC as an Additional District Programme Coordinator in mobilization of wage-seeking families through SHGs and their federations at village, mandal and district level.
	Integrated Tribal Development Agency	Project Officer	assists the DC as an Additional District Programme Coordinator in scheme management in tribal areas
State	Rural Development (RD) Department	Commissioner	State Programme Coordinator for EGS
	EGS Unit	Director + subject specialists+ support staff	Assists the Commissioner, RD
	Panchayat Raj (PR) Department	Commissioner	Coordinates implementation of the scheme with PRIs
	Society for Elimination of Rural Poverty	Chief Executive Officer	involves District Rural Development Agencies in mobilizing and capacity building through SHGs and their federations

	Andhra Pradesh Academy of Rural Development	Commissioner	Provides capacity building support to PRIs and Line Departments
	Tribal Welfare Department	Commissioner	ensures involvement of ITDAs in implementation of the scheme in tribal areas
	AP Scheduled Castes Cooperative Finance Corporation Limited	Managing Director	involves District SC Service Cooperative societies to enable SC households to access their rights and entitlements
Other State Government Responsibilities			
			Set up Employment Guarantee Fund, provide budget provision for and release state share ( 10% ) , notify Rural Standard Schedule of Rates, conduct impact assessment and evaluation studies, set up the AP State EG Council (APSEGC) - an advisory body for the purpose of the APREGS.
		Chief Minister	Chairman, APSEGC
		Rural Development Minister	Vice-Chairman, APSEGC
		Principal Secretary Rural Development	Member Convener, APSEGC

## **Annexe three**

### **Responses from Anantapur District, Andhra Pradesh**

(This is where the NREGA was flagged off by the Prime Minister on 2.2.2006)

#### **A. Institutions, who does what ?**

**How are the various projects allocated between different institutions, and who actually does what ? Be precise, and say what is happening, not what is intended to happen.**

The total project is being carried out by Mandal Parishad Development Organization(M.P.D.O), which is a Govt. body. Under M.P.D.O Gram Panchayats are working for implementation of the project(NREGP).

Out of selected 25 Gram Panchayats in the district only 14 Gram Panchayats are carrying out the work under the scheme. The remaining 11 Gram Panchayats stopped/not started the work, because of low wage/not satisfied with work schedule.

**What projects are performed by the administrative machinery, by Gram Panchayats, by NGOs, by SHGs or their federations, by private contractors, and so on ? Are new government NGO or community-based institutions being set up to do it, or are existing institutions doing it?**

#### **Project undertaken under this Programme**

1. Water Conservation
2. Water Harvesting

Here no role for NGO's, SHGs or their federations, by private contractors, and others.

No new Govt. NGO or community based institutions being set up to do it. The total project is being undertaken by M.P.D.O.

#### **B. 'Beneficiaries', who selects them and how ?**

##### **How are the eligible districts selected, and by whom ?**

For the first phase of this program 13 districts(out of a total of 23 districts in the state) have been selected in Andhra Pradesh State. Economically back ward districts have been selected as a criteria for selection.

The selection process is done by Central Govt.

**How is the scheme publicized, how do eligible people know they are eligible ?**

The entire contents of the scheme is published in a booklet and these booklets are distributed directly to the people in the selected villages by conducting meetings.

Field Assistants have been appointed by M.P.D.O to educate people about the eligibility of the scheme.

Village Secretary plays major role in publicizing the projects to particular Gram Panchayats.

**What must eligible people do to get the work ? What forms are needed, who will fill them in for illiterates ?**

Eligible people should fill and submit the form to Field Assistants and in turn these application forms goes to M.P.D.O's office.

F4 Application for Group Works

F3 Application for individual works

For illiterates Field Assistants facilitates in filling the forms.

**What are the criteria for selecting beneficiary households and individuals ? Are existing BPL lists, SC/ST lists and so on used, or are new lists being created ? Are men preferred over women or vice versa ?**

Whoever living in the village and are willing to get work under this scheme have been selected for this scheme.

BPL lists, SC/ST lists are not used for selection, no new lists being created.

There is equal importance given for both men and women in the scheme.

**Is selection done on a village or block basis, so that everyone who lives in a selected place is eligible if they chose to enroll, or are people selected individually ?**

Selection is done at village basis.

So that everyone who lives in the selected village is eligible for enrolling under the scheme.

**What arrangements are made for disabled people, or mothers with young children who cannot easily leave home, or women headed households ?**

No particular arrangements for disabled people.

For mother with young children working under the scheme, to look after their young children below 6 years a daily wage women care taker is allotted by M.P.D.O. At present out of 14 work places only 3 women care takers are allotted. The remaining places are continuing work with out this care takers support.

For women headed household other members in the family can attend work allotted to her(out of total 100 days any one in the family can attend the work).

**What are the age limits ? How young and how old ?**

Minimum age is 18 and Maximum age is 60 for getting the work.

**How are unofficial 'brokers' avoided ?**

At present there are no such cases of brokers or mediators for the program.

**For how long is a given community or household eligible ? Is it the intention that the scheme will eventually 'wither away' as people cease to want low paid manual work because better options are available, or will it go on for ever ?**

As per scheme given community or household is eligible for 5 years i.e. from 2006-2011.

There is mixed response in the people. In few Gram Panchayats people are under the impression that the wage they are getting from the scheme is low and the scheme does not last for a longer period.

**C. Timing, when in the year will work be offered ?**

**When during the year are the 100 days scheduled, and why ?**

There is no scheduled phases for this 100 days, throughout the year this scheme is applicable.

**Will the work be available only during the 'hungry season', when people usually migrate or go hungry, or will it be available year round?**

The Scheme is available round the year.

**How will people who usually migrate be able to decide whether to stay at home or to migrate as usual, given that work under the scheme may be uncertain ?**

All the people who are working under the scheme at present in Anantapur Dist. Are the natives of that particular village for a long time. Usually there is no migration in these villages.

**Will the 100 days be scheduled to avoid the seasons when people with land, or who do farm labour, are doing agricultural work ?**

There is no particular time frame for 100 days schedule.

**D. Payment, how are the wages paid ?**

**How much is paid per day ? Does the amount vary according to local market rates, is it the state minimum wage, or is it the same nation-wide ?**

Payment is based on piece work base. Rs 80 per day is being paid.

Fixed measurement rates are equal in all the parts of the country where this scheme is applicable . It is same nation-wide.

**Is the payment on a per hour or per day basis or a piecework basis ?**

Payment is made on piecework basis.

**If on a per day basis, how are 'free-riders' avoided, and if on piecework, how and by whom are the rates set, and how are weaker people allowed for ?**

Not Applicable

**Is the payment in cash or in kind ? Is payment made daily, weekly, or monthly ?**

Payment is made in cash. For every 15 days payment is done.

**Are there any arrangements to help beneficiaries to bank their earnings to avoid loss ?**

For payments to beneficiaries Bank/Post Office Accounts opened to all enrolled members.

**Are the wages the same for all levels of skill and productivity, and for men and for women ?**

The wages are same for both men and women. If productivity is more then their wage will also be more when compared to less productive beneficiary.

**E. Tasks/Projects, what work is done ?**

**Give some examples of specific projects on a separate sheet.**

**Who decides what projects are to be done ?**

Ground level project proposals are raised by Gram Panchayats, this should be approved by M.P.D.O. The approved proposals from M.P.D.O should be approved by Zilla Parishad body.

**Do people work on projects which directly benefit themselves and their own communities, or on larger more general projects whose relationship to their own lives is less clear ?**

People are working for both the projects. At present general projects are given more priority.

**Are the projects within easy walking distance of people's homes ? If not, who provides and pays for transport ?**

The works which are running at present in the district are at walkable distance to the beneficiaries.

**Are the projects 'make-work' projects, which are really of little value, digging holes and filling them up again, or are they really needed projects ?**

All the projects that are taken up now are really needed projects.

**How many people are employed on a typical task ? Ten, a hundred, a thousand ?**

In Kandukur village panchayat 550 people are given employment for various works.

**How long will it take to complete a typical task ? A day, a week, a month, 100 days, longer, more than a year ?**

Since the payment is made only on measurement basis people tend to work more to earn more in the given period of 100 days.

**Are the projects sometimes existing projects taken over from private contractors or are they always new projects ?**

All the projects which are started under the scheme are new projects.

## **F. Management**

**Who supervises the work, on-the-job, and who pays for the supervision ?**

Field Assistants will supervise the work. Measurements of the finished work will be taken by Technical Engineer every week. M.P.D.O pays for the above people.

**Who arranges for the procurement of non-wage requirements, cement, transport, other materials and so on, and who pays for these supplies?**

Since the projects carried out in the district are water conservation and water harvesting structures, non-wage requirements are not required for these projects. Implements for carrying out the work should be brought by the beneficiaries.

**Is there a fixed percentage of labour wages allowed for administrative costs, or are administrative costs covered on an actual costs incurred basis ?**

Cost incurred for administrative expenses covered on actual basis and it is paid by M.P.D.O.

**Are local contractors paid to manage projects, and if so, how can they be prevented from taking a 'cut' from the wages they are meant to pay to the workers ?**

No, local contractors are not involved in management of the projects.

**Are there any problems with trades unions which object to the use of non-union labour ?**

There are a few instances where trade unions objected about the low payments of the scheme, but it was not such a major problem to the program.

**Are management agencies, whether they be NGOs, private firms, Gram Sabhas or Gram Panchayats selected by a bidding process ? If not, how are they selected ?**

Only Gram Panchayats are organizing the works.

At present no role for NGO's and Private firms related to management of the scheme.

**Specific projects:**

Major projects: Water Harvesting and Conservation structures.

Sub-projects:

- Earthen bunding
- Farm ponds
- Feeder channels
- Pebble bunding
- Stone bunding
- De-silting or cleaning of existing feeder channels
- Mini percolation tanks
- Diversion drains

## Annexe four

### Karnataka Responses

#### A. Institutions, who does what?

1. *How are the various projects allocated between different institutions, and who actually does what ? Be precise, and say what is happening, not what is intended to happen.*

- As per the State policy 50% of works will be implemented and executed by Grama Panchayats and the remaining 50% by the Taluka (block) Panchayats and Zilla Panchayat through the departments
- Taluka Level Technical Committee approves these works and countersigned by the District Level Technical Committee.
- All the line departments will help PR Institutions in technical matters while executing the projects.
- Actually the 1<sup>st</sup> preference should have been given to Gram Panchayat(GP), but to start the works in hurry the Zilla panchayat through the line departments have started works as the support staff required to GP are not in place neither the systems nor are they(GP) mentally prepared and aware of the scheme in totality.

2. What projects are performed by the administrative machinery, by Gram Panchayats, by NGOs, by SHGs or their federations, by private contractors, and so on? Are new government NGO or community-based institutions being set up to do it, or are existing institutions doing it?

- Private Contractors are not involved.
- No clarity at GP, TP and ZP level to involve NGOs, SHGs and other Cobs at various stages of implementation.
- There is no plan to set up any government NGO. In Richer, Gulag districts one NGO is given responsibility of one block to identify the *works* in each village, get the Gram Sabha approval for this and consolidate it at GP level for all villages (Each Gram Panchayat(GP) has 3 to 5 villages depending on the population of the villages).
- No involvement of SHGs or their federation is envisaged.
- Desilting in Tunghabhadra canal is started at 3 Panchayats of Manvi taluka in Raichur district. Irrigation department executes this. Work not yet started in other blocks.

## **B. 'Beneficiaries', who selects them and how?**

### **1. HOW ARE THE ELIGIBLE DISTRICTS SELECTED, AND BY WHOM?**

200 most backward blocks are selected in India (for details refer <http://nrega.nic.in/> ).In Karnataka 5 districts are selected.

### *2. How is the scheme publicized, how do eligible people know they are eligible?*

- District Administration given orientation to all GP secretaries regarding NREGA. The Grama Panchayat secretaries in turn have conducted Grama Sabha at all villages.
- Hoardings/ Pamphlets are also used in some places.

### *3. What must eligible people do to get the work? What forms are needed, who will fill them in for illiterates?*

- Panchayats are the institution asked to do this job. One page simple form is evolved (it contains name of the person, age and photograph). There is one form for every family.
- Panchayat secretaries, are expected to help villagers to fill this form. In Raichur district, those involved in literacy work are also used to fill the form.

### *4. What are the criteria for selecting beneficiary households and individuals? Are existing BPL lists, SC/ST lists and so on used, or are new lists being created? Are men preferred over women or vice versa?*

Any person who is aged 18 years and above and who is willing to do manual work irrespective of caste, economic condition, sex is eligible. In fact there is no upper age limit.

### *5. Is selection done on a village or block basis, so that everyone who lives in a selected place is eligible if they chose to enroll, or are people selected individually?*

- Every person in every village of selected district is eligible (subject above condition).

### *6. What arrangements are made for disabled people, or mothers with young children who cannot easily leave home, or women headed households?*

No specific mention is made about such categories. Since work has not started, it is not clear what would be done with such people. But the project envisages that work will be given close to the place of stay (within 5 Kms distance).

*7. What are the age limits? How young and how old?*

18 years and above. No upper age limit but should be capable of doing physical work.

*8. How are unofficial 'brokers' avoided?*

Just now registration process is completed. The situation will be known once the work begins. Lists are not yet published. The NREGA is an act of parliament, and not a programme, so everything is done seriously.

*9. For how long is a given community or household eligible? Is it the intention that the scheme will eventually 'wither away' as people cease to want low paid manual work because better options are available, or will it go on for ever?*

Nothing is mentioned about this. But chances are that it will continue for at least 5 years.

**C. Timing, when in the year will work be offered?**

*1. When during the year are the 100 days scheduled, and why?*

Grama Panchayats have not put their thoughts over all these details during developing Action plans. It is too early to share about it. The feasibility to take up work will depend upon the nature of works they identified. Most of the Water/soil conservation related works, drought proof treatment and Road repair & development works are planned could be done only during summer. Majority of the works are technically feasible to take up in summer considering the climatic conditions and free time of the local people. Some work like raising nursery, transplantation work are feasible only in rainy season.

*2. Will the work be available only during the 'hungry season', when people usually migrate or go hungry, or will it be available year round?*

Quite a good number of programs could be taken up during "hungry season"(summer). I think this is taken into account while designing the program. But right now no plan exists.

*3. How will people who usually migrate be able to decide whether to stay at home or to migrate as usual, given that work under the scheme may be uncertain ?*

This is a crucial issue. When we talked to some people who regularly migrate, they said that they will be happy to stay back if regular employment is ensured. but the limitations proposed in the program may not allow it to happen. 100 days of labour and a total income of Rs 6250 per family are guaranteed. If this is sufficient(along with other income it can generate on its own) then the concerned

family may not migrate. Some families may decide to send only few members. Overall I think it would definitely help in arresting some migration

*4. Will the 100 days be scheduled to avoid the seasons when people with land, or who do farm labour, are doing agricultural work?*

No thoughts are being done on these lines either by PRI institutions level (GP, TP and ZP) or at public level also. The programs and budget availability will mostly decide the dates.

#### **D. Payment, how are the wages paid?**

*1. How much is paid per day? Does the amount vary according to local market rates, is it the state minimum wage, or is it the same nation-wide?*

Right now it is said that Rs.62.50 is being paid for one-day work. They are also saying that the wages will be computed based on work turnover. Still it is not clear even to GP level functionaries as to whether the wage payment is calculated based on piece rate or hour rate.

In irrigated area the present wage rate per day offered under this project is half of the rate one labour is getting for local work.

Each state is working out the minimum wages of their own based on local factors. It varies from state to state. Minimum wage fixed by Kerala is Rs.136/- and Andhra Pradesh is Rs.80/- But where as in Karnataka it is Rs.62.50. In AP lot of studies (Motion- Time- Rate) are under progress to check the turn out of individual in each type of physical work to fix the standard performance for each type of work. But this type of studies need to be done in our state also to fix the quantity of work can be done by individual in one day and to check whether what quantity of work to be done to get minimum wages in one day.

*2. Is the payment on a per hour or per day basis or a piecework basis ?*

Explained above.

*3. If on a per day basis, how are 'free-riders' avoided, and if on piecework, how and by whom are the rates set, and how are weaker people allowed for?*

Works will be measured and documented in MB (Monitoring Book). Estimations are made about the labour component of each work. Wage rate will be computed based on the number of people worked to complete the particular work. But the minimum wage stipulated is Rs.62.50.

Since very little work has started, we have to see how it works in the field.

*4. Is the payment in cash or in kind? Is payment made daily, weekly, or monthly?*

Amount will be credited directly to the Bank account either once a week or fortnightly. Efforts are now on to help, open the account in the nearest Bank.

*5. Are there any arrangements to help beneficiaries to bank their earnings to avoid loss?*

Bank accounts are compulsorily opened. It is left to Bank managers to persuade people to save.

*6. Are the wages the same for all levels of skill and productivity, and for men and for women ?*

Wages are same for men and women. It is also said to be productivity linked. But it is not clear yet.

It is told that the wage rate will be the same both for men and women. But it will vary if

### **E. Tasks/Projects, what work is done?**

*1. Give some examples of specific projects on a separate sheet.*

- Desiltation in Tungabhadra Irrigation Canals.
- Desiltation in Irrigation Tanks.
- Desiltation in Nalas.
- Repairs/Developments to existing Roads.
- Construction of new irrigation Tanks/Kuntas.
- Construction of Nala Bunding, Check Dams, Boulder Checks, Culverts.
- Rising Nursery and Transplantation at all Government institutions/Roads etc.,

*2. Who decides what projects are to be done?*

Grama Panchayat Secretary and PRI members together identify

*2. Do people work on projects, which directly benefit themselves and their own communities, or on larger more general projects whose relationship to their own lives is less clear?*

Presently projects planned are for community benefit. There is option to work in the fields of SC/ST farmers and land allottees.

*4. Are the projects within easy walking distance of people's homes ? If not, who provides and pays for transport ?*

It is proposed to give work within the Gram Panchayat limits(5 Kms). If it exceeds this limit, Government has to arrange for transport.

*5. Are the projects 'make-work' projects, which are really of little value, digging holes and filling them up again, or are they really needed projects ?*

Right now in most places it is cleaning of irrigation canals, which is a very productive activity.

6. *How many people are employed on a typical task ? Ten, a hundred, a thousand ?*

Not yet clear. Depends on the project and budget.

7. *How long will it take to complete a typical task ? A day, a week, a month, 100 days, longer, more than a year ?*

This planning is still to be done.

8. *Are the projects sometimes existing projects taken over from private contractors or are they always new projects ?*

Government has not yet given budget for non labour component. A mix of existing and new may emerge.

## **F. Management**

1. *Who supervises the work, on-the-job, and who pays for the supervision ?*  
Right now it is Engineers from Irrigation or Public Works Department (PWD).

2. *Who arranges for the procurement of non-wage requirements, cement, transport, other materials and so on, and who pays for these supplies ?*  
The Line departments along with Gram Panchayat.

3. *Is there a fixed percentage of labour wages allowed for administrative costs, or are administrative costs covered on an actual costs incurred basis ?*

The state has fixed 2% of project cost for administration.

4. *Are local contractors paid to manage the projects, and if so, how can they be prevented from taking a 'cut' from the wages they are meant to pay to the workers ?*

Local contractors are not permitted.

5. *Are there any problems with trades unions which object to the use of non-union labour ?*

No. Such labour unions don't exist in Karnataka. In Kerala we should watch out.

6. *Are management agencies, whether they be NGOs, private firms, Gram Sabhas or Gram Panchayats selected by a bidding process ? If not, how are they selected ?*

No such thing as of now.

## Annexe five

### Orissa Response

#### The schedule has been filled in based on:

- Interaction with group of beneficiaries of Upper Nuagaon Village, under Manikera Gram Panchayat, M Rampur Block in Kalahandi district in Orissa
- Detailed one-to-one discussion with Mr. Lingaraj Patra, (Husband of Sarpanch), who is well aware of ground realities of implementation of NREGA.
- Study of documents like NREGA Guidelines, OREGS and formats in use at field level.
- Reflection on earlier experience of being involved as a Team Member of XIMB in developing National Food for Work Programme (NFFWP) Perspective Plan for Deogarh district in Orissa

#### A. Institutions, who does what?

**How are the various projects allocated between different institutions, and who actually does what? Be precise, and say what is happening, not what is intended to happen.**

Palli Sabha recommends the proposed list of works. Works are first recommended by Palli Sabha to Gram Sabha. Further works recommended by Gram Sabha is recommended by Gram Panchayat to the Panchayat Samiti. Panchayat Samiti further recommends the list to Zilla Parishad. Zilla Parishad approves the work. Under NFFWP, most of the works use to be executed by Panchayat Samiti or may be line department. Now, there is a preference for execution of work by Gram Panchayat. For example, a road construction work is being taken up under NREGA in Juger village under Manikera GP.

**What projects are performed by the administrative machinery, by Gram Panchayats, by NGOs, by SHGs or their federations, by private contractors, and so on? Are new Government NGO or community-based institutions being set up to do it, or are existing institutions doing it?**

No new community based institutions have been set up to execute the works. Work is done either by Gram Panchayat, Panchayat Samiti or line department. There is no incidence of NGO, SHG, SHG federation or private contractor being involved in execution of work. At Gram Panchayat level, popular projects are renovation/construction of roads (not pucca roads) and renovation of tanks. In case of Panchayat Samiti, popular work is creation of water harvesting structures. Line departments could be involved in variety of works like plantation

(in case of forestry) or renovation of canals (in case of Water Resources Department).

## **B. 'Beneficiaries', who selects them and how ?**

### **How are the eligible districts selected, and by whom ?**

There are 200 districts covered under NREGA. Earlier there were 150 districts under NFFWP. The districts have been selected based on macro indicators like poverty, availability of main workers and agriculture productivity. It has been decided by Ministry of Rural Development, GOI, in consultation with Planning Commission. While, identifying the most poverty ridden districts, it was seen that there was no representation from States like Punjab. While preparing the final list, at least one district was taken from each State.

### **How is the scheme publicized, how do eligible people know they are eligible?**

At village level, people know about the scheme from Palli Sabha and from Dengura (Announcement about the scheme by a person by beating the drum, engaged by GP). News items in local vernacular newspapers are also other sources of information. At local level, people also learn about the scheme by interacting with Ward Members, Sarpanchs and Panchayat level functionaries.

### **What must eligible people do to get the work? What forms are needed, who will fill them in for illiterates?**

Gram Panchayat announce about a work through notices and Dengura, Eligible people reach the work site; say the place where renovation of road is taking place. In every Ward there are 10 Labour Leaders identified by the Palli Sabha. They are engaged one by one by the Panchayat to execute/supervise the works. Labour Leader helps in filling the necessary forms. Although, a Labour Leader could be one amongst the labourer, but in practice, he could be representative of Ward Member, Sarpanch or of old contractor.

### **What are the criteria for selecting beneficiary households and individuals? Are existing BPL lists, SC/ST lists and so on used, or are new lists being created? Are men preferred over women or vice versa?**

Any person willing to do manual unskilled work (usually earth work) is a beneficiary under the scheme. There is no linkage with SC, ST, BPL status. A new list of Work Seekers (both households and individuals with in the HH) is being created based on voluntary application by concern HH to the respective GP. The forms have just reached the GP office. Although according to law, it is mandatory to issue job card to HH who has applied, but as a practice, they invite

the adult members of HH to work. Only if they do manual work for 7 to 15 days, GP issues a Job Card in retrospect effect. Alternatively, who is already engaged in a work is provided with Job Card, before making wage payment.

**Is selection done on a village or block basis, so that everyone who lives in a selected place is eligible if they chose to enroll, or are people selected individually?**

There is no formal selection process. An informal selection process i.e. person has to engage him self /her self in a work for 7 to 15 days to be eligible to get a card is in practice. A HH can get a Job Card to be used by all adult members who wants to work in their GP. The card is being issued for 5 years. There can be addition and deletion of members like when a person dies or one attains age of 18 or one gets married and thus moves permanently to another GP.

**What arrangements are made for disabled people, or mothers with young children who cannot easily leave home, or women headed households?**

Although, in the Act there is provision to engage one woman to run a temporary crèche at the work site) in case there is at least 5 children below 6 years), this is not in practice. GP is not aware of such guidelines. There is no specific provision of disabled persons or women headed HH to be able to reach work site. In the Act, there is provision of 1/3<sup>rd</sup> work force to be women and proportionate disabled person (as per Disability Act) can be engaged at work place. Implementing authorities are aware of provision for women BUT not relating to disabled persons.

**What are the age limits? How young and how old?**

One needs to be 18 year old to be eligible to get work. In most cases proof is the availability of voter identity card. There is no upper age limit. However, very old persons are not seen doing manual unskilled works. As the earth work is paid on measurement basis, it is also very difficult for very old persons to compete on equal footing with active work group.

**How are unofficial 'brokers' avoided?**

Work is executed through a Labour Leader identified by the Palli Sabha. In 30 to 50 % cases, labour leader could be a Petty Contractor (mainly in PRI executed works) BUT in other cases like works executed by line departments, work is seen to be implemented by one among the labourers as Labour Leader. In Manikera GP, although the work is executed by Labour Leader (he gets payment of wage of a skilled labour for his services), wage payments are made by Executive Officer of GP directly to labourers. In this process, the role of Labour Leader is minimized.

**For how long is a given community or household eligible? Is it the intention that the scheme will eventually 'wither away' as people cease to want low paid manual work because better options are available, or will it go on for ever ?**

The scheme is in implementation in 200 districts for next 5 years. It seems, the Act will not be repealed. Over the next 5 years, in a phased manner, there is plan to cover all the districts of India. As far as Job Card is concerned, the card is being provided for 5 years. It is true that, the demand for manual work is low. This indirectly speaks that; Govt. will be able to provide work to any one interested to do manual work.

**C. Timing, when in the year will work be offered?**

**When during the year are the 100 days scheduled, and why?**

There is no schedule for work. The list of works is approved by Zilla Parishad, before the financial year. However this is yet to be put into practice. List of work is linked to potential demand for labour. As and when people demand work, new work sites can be opened. At the field level, practically wage earners have started getting Job Cards and demand for work is yet to be recorded. Demand is recorded in a reverse manner, i.e. the work supplied is work demanded. However, there is a tendency to quickly provide 100 days of work to a Card Holder, else concern Sarpanch will be accountable and State Govt. has to pay Unemployment allowance, which is 25 % of wage for first 30 days and 50 % of wage thereafter. It is expected that demand for work will be during Feb to June, part of being in end of financial year while rest at beginning of financial year. If there will be tendency to quickly achieve 100 days, it is to be seen if wage earners can get work towards end of financial year, although the act do not restrict in any way to provide work in specific parts of the year.

**Will the work be available only during the 'hungry season', when people usually migrate or go hungry, or will it be available year round?**

Work is available in any season. NREGA commits to provide 100 person days of work to a HH, **if HH demands**, but do not limit to just 100 days. Availability of work in hungry season, falling towards the end of financial year (when 100 days already covered) would depend on if Utilization Certificates have been submitted for works already executed, if not funds flow may get restricted. Similarly, identifying work in rainy season, which is hunger season, would also be equally difficult. Executing earth work in rainy season is difficult. Nevertheless road renovation can be taken up during rainy season.

**How will people who usually migrate be able to decide whether to stay at home or to migrate as usual, given that work under the scheme may be uncertain?**

Work under the scheme is not likely to be uncertain. There is some degree of awareness. Some people will mediate and facilitate application for work. If not,

the Sarpanch would provide work in his political interest. For example, although guidelines are not clear, many Sarpanchs have started works, putting their own money as advance, else people will migrate and some one may put them in difficulty. Sarpanch and Officials have been told to be accountable, in case State Govt. becomes legally bound to pay unemployment allowance.

**Will the 100 days be scheduled to avoid the seasons when people with land, or who do farm labour, are doing agricultural work?**

As it looks, there will not be any need for scheduling works. Panchayat is bound to provide manual work within 5 km of place of stay of the HH. In Orissa, it is not difficult to get 20 people to start a work. It seems, earthen road construction can go on year round. Nevertheless, NREGA is likely to make agriculture unviable. Most of the agriculture operations demand more no of wage earners at a point of time. Usually minimum wage would be higher and people would prefer that NREGA work than getting engaged in agriculture.

**D. Payment, how are the wages paid?**

**How much is paid per day? Does the amount vary according to local market rates, is it the state minimum wage, or is it the same nation-wide?**

Wage earner is paid Rs. 52.50 per day, as per minimum wage declared by State Govt. It varies from place to place. According to NREGA, wage rate would be same as minimum wage declared by the State. At present, it is higher than prevailing wage rates in districts where NREGA is being implemented. Hence wage earners would forgo agriculture in favor of NREGA. But when it will be implemented in coastal districts, it may work out in a reverse manner.

**Is the payment on a per hour or per day basis or a piecework basis?**

In most cases, earth work is taken up and hence it is convenient to pay wage is on piece rate basis. It is Rs. 52.50 for 100 cubic feet of earth work.

**If on a per day basis, how are 'free-riders' avoided, and if on piecework, how and by whom are the rates set, and how are weaker people allowed for ?**

Every district has a PWD (Public Works Department) rate for earth work decided by a committee. In most cases, a person or all members of HH engage themselves in a particular earth work. In most cases, the group members are from one family or a group of informally known to each other person work collectively as a team. Usually, the measurement of earthwork is done once in a week. There could be case when three member groups may have done 30 man days of work or 15 man days of work in a week. Free rider is one amongst the team members. It is left to the team members to settle payments between them, in case one free rides. For Panchayat, all are equal as far as wage payment is concerned. The advantage in this is also that, old persons, although not

productive to the group, get opportunity to work as part of a group, in case of family based groups.

**Is the payment in cash or in kind? Is payment made daily, weekly, or monthly?**

The payment is made in cash. Earlier, under NFFWP, the payments were made in cash and food grain. It use to 40 % as grain (4 kg of Rice) and 60 % cash. It is important to note that, although NREGA commits to pay wage in cash, BUT OREGS has kept provision to pay in cash and kind. In the past, in some of the districts of Orissa, large scale food for work programmes has led to distress sale of local paddy. People generally prefer cash for work.

Payments are made on weekly basis by the Executive Officer of GP. In some cases, it goes up to 15 days. There are instances when people have received part wage payment on a weekly basis, rest being paid after 1 to 2 months. This happens when a work starts with out approval and also if higher level organizations have not submitted Utilization Certificate affecting flow of funds.

**Are there any arrangements to help beneficiaries to bank their earnings to avoid loss?**

There is no specific provision to help beneficiaries to bank their earning. This may happen in the near future, once Manual Work Seekers becomes a visible organized group like the Kendu Leaf pluckers. Such initiatives may happen to provide insurance services BUT not likely to happen relating to savings.

**Are the wages the same for all levels of skill and productivity, and for men and for women?**

Wage is same for both men and women for all productivity level works. Popularly, there are two types of productivity level i.e. skilled and unskilled. For unskilled works, wage rate is Rs. 52.50 and for skilled, wage rate is 70.50 per day. While Govt. of India pays for total cost of unskilled wage, in case of skilled wage, State Govt. has to share 25 % of cost.

**E. Tasks/Projects, what work is done?**

**Give some examples of specific projects on a separate sheet.**

Examples of specific projects in order of priority is renovation of roads, construction of new road, renovation of tanks, renovation of Water Harvesting Structure, construction of pond, construction of Water Harvesting Structure and Renovation of Canals.

However, schemes give priority in following order – water conservation and harvesting, drought proofing, plantation, land leveling, canal renovation and finally rural connectivity.

**Who decides what projects are to be done?**

Palli Sabha gives proposals. These proposals are scrutinized by Gram Sabha and finally recommended to GP. GP recommends to Panchayat Samiti (PS). PS adds project which benefits more than one GP. Then it goes to Zilla Parishad which may add projects at district level. At this level, different line department projects get added to the list. ZP finally approves the projects. This process is slowly getting institutionalized. Perspective Plans under NFFWP have been developed which is nothing but list of works. Annual Action Plans are yet to be approved by ZP and sent to Implementing Agencies like GP which is suppose to execute minimum 50 % of cost of works. Now, work has started on ad hoc basis.

**Do people work on projects which directly benefit themselves and their own communities, or on larger more general projects whose relationship to their own lives is less clear?**

Generally people work in two types of projects i.e. roads and Water Harvesting Structure (WHS). Roads benefit all the villagers while WHS benefits the persons having agriculture land associated with WHS. It is very likely that wage earners are land less and would not be benefiting from WHS.

**Are the projects within easy walking distance of people's homes? If not, who provides and pays for transport?**

Generally, projects are at a distance 1 to 5 km from the village. According to NREGA, in case, work is provided beyond 5 km distance 10 % extra wage to be paid towards transport. However, there is no such incidence of payment of extra wage or services for transport.

**Are the projects 'make-work' projects, which are really of little value, digging holes and filling them up again, or are they really needed projects?**

In most cases, the project is expected to benefit the community or a group of households. There is not likely to be shortage of projects, in near future.

**How many people are employed on a typical task ? Ten, a hundred, a thousand ?**

In a typical work, around 50 to 100 persons would be engaged. In case of long distance roads, it could go up to 200 persons. The wage earners could be from 2 to 3 villages.

**How long will it take to complete a typical task? A day, a week, a month, 100 days, longer, more than a year ?**

A typical work would be around Rs. 2 lakh. If 100 persons are engaged, it would approximately take 40 days. Most cases, a typical work get completed at the most in 2 months.

**Are the projects sometimes existing projects taken over from private contractors or are they always new projects?**

There is no incidence of projects being taken over from private contractor where private contractor has executed some percentage of work and now GP wants to execute directly through Labour Leader. Many works are renovation of old works. While the work was taken up in the past, private contractor may have been engaged, BUT they do not have any relation with NREGA work. In 50 % cases, new projects are also taken up.

## **F. Management**

### **Who supervises the work, on-the-job, and who pays for the supervision ?**

A Labour Leader, identified by the Palli Sabha in case of Panchayat or a Labour Leader (may or may not be actual labourer) is identified/engaged in case of higher level Panchayat and line department supervises the work at the work site. In 50 % cases, he would be an actual wage earner. He may be a little elite wage earner. In other cases, he may have linkage or exposure to PRI functionaries/Petty Contractors.

### **Who arranges for the procurement of non-wage requirements, cement, transport, other materials and so on, and who pays for these supplies?**

The Executing Agency i.e. Panchayat, Block or Line Department entrusted with the work arrange cement, material and transport. Twenty five percent of the cost is paid by State Govt. and rest is borne by Central Govt. It is taken into account in estimating the cost of the work.

### **Is there a fixed percentage of labour wages allowed for administrative costs, or are administrative costs covered on an actual costs incurred basis?**

As per NREGA, administrative cost (except for the cost of State Employment Guarantee Council) is to be borne by Central Govt. The basis of calculation seems to be fixed percentage of the project cost as practiced during National Food for Work Programme.

### **Are local contractors paid to manage the projects, and if so, how can they be prevented from taking a 'cut' from the wages they are meant to pay to the workers?**

Local contractors are not involved in either executing or managing the work. However, there are cases, when funds flow tightens (which is not likely to happen) or for vested interest, they are seen in an invisible manner through the Labour Leader. But incidence of there involvement is fast declining.

**Are there any problems with trades unions which object to the use of non-union labour?**

The trade unions are not active (even do not exist) for un-organized unskilled manual labour. Hence, there is no scope for Trade Unions to object to the use of non union labour.

**Are management agencies, whether they be NGOs, private firms, Gram Sabhas or Gram Panchayats selected by a bidding process? If not, how are they selected?**

Under NREGA, there are two types of agencies i.e. Implementing Agency and Executing Agency. It is further elaborated in OREGS that Implementing Agency refers to a PRI – village, block or district level. Implementing Agency can execute the work through Executing Agency. There is incidence of Zilla Parishad executing work through the line departments. Lower level PRI are executing work directly. Nevertheless, there is scope for NGOs and SHGs (Not Contractors) to be involved as Executing Agencies. There is no bidding process. However, there are chances of voting in Gram Sabha, Panchayat Samiti or Zilla Parishad to finally recommend or approve the list of works.