

ABSTRACT

That the growth of the industrial and agricultural sectors alone will not be able to absorb the growing rural labour force is a widely acknowledged fact. Hence there arises a need to provide off-farm employment to combat the problem of unemployment and poverty of the rural poor. Rural public works programmes (RWP) have assumed a prominent place among the different anti-poverty instruments. The Employment Guarantee Scheme (EGS) of Maharashtra is a widely acclaimed RWP having extensive coverage and large budgetary allocations. The present study examines the role of the EGS as an employment and income insurance programme, in the micro-context of a tribal taluka, based on the hypothesis stated below.

The inability of the poor to meet current consumption needs forces them to enter into transactions with the rest of the economy on very unfavourable terms. These transactions in turn undermine the capacity of the poor to generate and retain a surplus and bind them in a low income trap. Any sustained employment and income insurance programme like the EGS, by alleviating hunger, is likely to bring about far reaching changes in these transactions. The success of the programme should also be judged on the basis of the long term changes brought about.

With the above hypothesis as the focus, the process of providing guaranteed employment and the extent of guarantee provided by the EGS were examined through a field study involving participant observation and canvassing of a structured schedule. The changes brought about by the implementation of EGS in the transactions of the poor in the employment, credit, commodity and land-lease markets were also studied.

The study shows that, notwithstanding its name and universality of appeal, the EGS provided a limited guarantee of employment. Eventhough EGS employment, reckoned in days or wage income, was as important as employment in agriculture in some of the villages, the labourers reposed greater confidence in cultivating meagre farm plots or agricultural employment and did not consider EGS as a dependable employment source. Even with EGS participation, almost all the households sampled were below the poverty line.

EGS implementation had been greatly influenced by the work of a labour organisation - it was higher in villages where the organisation was active. The organisation had helped spread awareness about the Scheme, about the right to work guaranteed thereunder, developed a consciousness among labourers "that they will get employment if they struggled for it" and facilitated peoples' participation.

Eventhough the EGS had not been able to push the participants above the poverty line, it had provided a concrete, though limited, economic backing to the participants. This fact coupled with the existence of the labour organisation and the heightened consciousness of the labourers through the organisation's work had led to an improvement in the terms of transactions of the labourers with the rest of the economy - in the labour, credit, commodity and land-lease markets. The EGS had helped in increasing the bargaining strength of the labourers with the employers. The Scheme had ensured lower recourse to indebtedness or improved the terms of obtaining credit. It had helped to reduce the incidence of distress sale of foodgrains at much below the market prices, under exploitative commodity trade practices and helped landless labourers in leasing in land for cultivation. By providing the labourers/cultivators the means for better deployment of their human and other resources, the Scheme had helped them to cultivate their farms better.

The study concludes that for the EGS to be an effective anti-poverty instrument, its scope will have to expand atleast fourfold. The limited guarantee presently provided by the EGS stemmed from certain features inherent in the design of the Scheme and related to the works and wage policy. Briefly, these features were :

- (1) The belief that labourers should be constantly in search of better employment opportunities without regard to the fact whether such opportunities existed.
- (2) Problems in identification and designing of works in the vicinity of villages and consequent difficulties in providing continuous employment.
- (3) Provision of a district level guarantee without adequate preparation for tackling the problems of migrant workers.
- (4) Ambiguity in the wage policy when local agricultural wages were below the minimum wage.
- (5) A lengthy procedure for getting employed.

Apart from recommending the removal of lacunae pointed out, the study suggests the following measures for improving the effectiveness of the Scheme.

- (1) The need to look at EGS as a clear cut choice of (labour intensive) technique.
- (2) An integrated approach to the development of the block, with the adoption of 'provision of employment' as a plan objective and use of EGS as a tool to achieve the objective.
