

**PROCESSES, INSTITUTIONS AND MECHANISMS OF
IMPLEMENTATION OF NREGA: IMPACT ASSESSMENT
OF BIHAR AND JHARKHAND**

Sponsored by

Ministry of Rural Development
Government of India
and
United Nations Development Programme

by

Ashok K. Pankaj



INSTITUTE FOR HUMAN DEVELOPMENT

NIDM Building, IIPA Campus, IP Estate
Mahatma Gandhi Marg, New Delhi-110 002
Phones – 2335 8166, 2332 1610 / Fax: 23765410
Email: ihd@vsnl.com, website: ihdindia.org

November 2008

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Email: ihd@vsnl.com, website: ihdindia.org

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Project Director

Ashok K. Pankaj

Data Processing Manager

Balwant Singh Mehta
Sunil Kumar Mishra

Data Entry Operator

P.K. Mishra

Research Associates and Field Supervisors

Ashwini Kumar
B.K.N. Singh
Vijay Prasad

Field Investigators

Ajit Kumar	Raghwendra Kumar
Bipin Kumar	Ravi Prakash
Chitranjan Sharma	Sailendra Kr. Singh
Dhananjay Sharma	Sajid Alam
Diwakar Sharma	Sandeep Kumar
Gautam Kumar	Sarvan Kumar
Irshad Ahmad	Sarvan Kumar II
Masud Alam	Sarvesh Kumar
Munna Kumar Pandey	Satish Kumar
Murlidhar Chaudhary	Shashi Kumar
Nagendra Kumar	Someshwar Sharma
Naval Kishore Singh	Sunil Kumar
Niraj Kumar	Vaibhav Shankar
Pawan Kumar	Pandey
Piyus Kamal	Vijay Narayan Singh
Prabhunath Singh	Vikash Kr. Gautam
	Vindyachal Kr. Singh

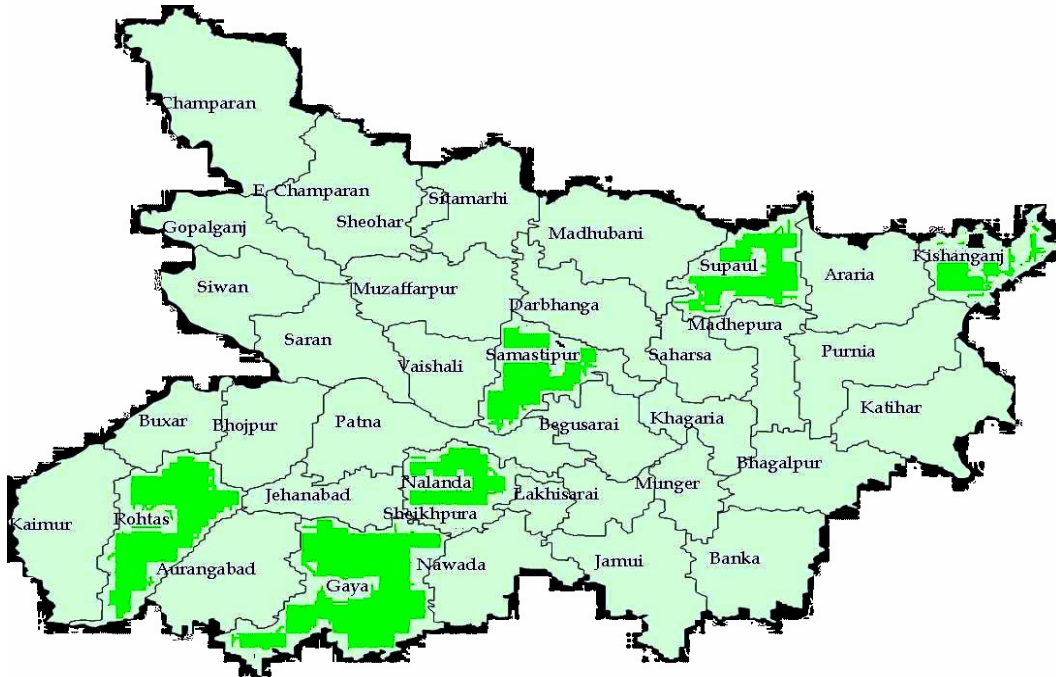
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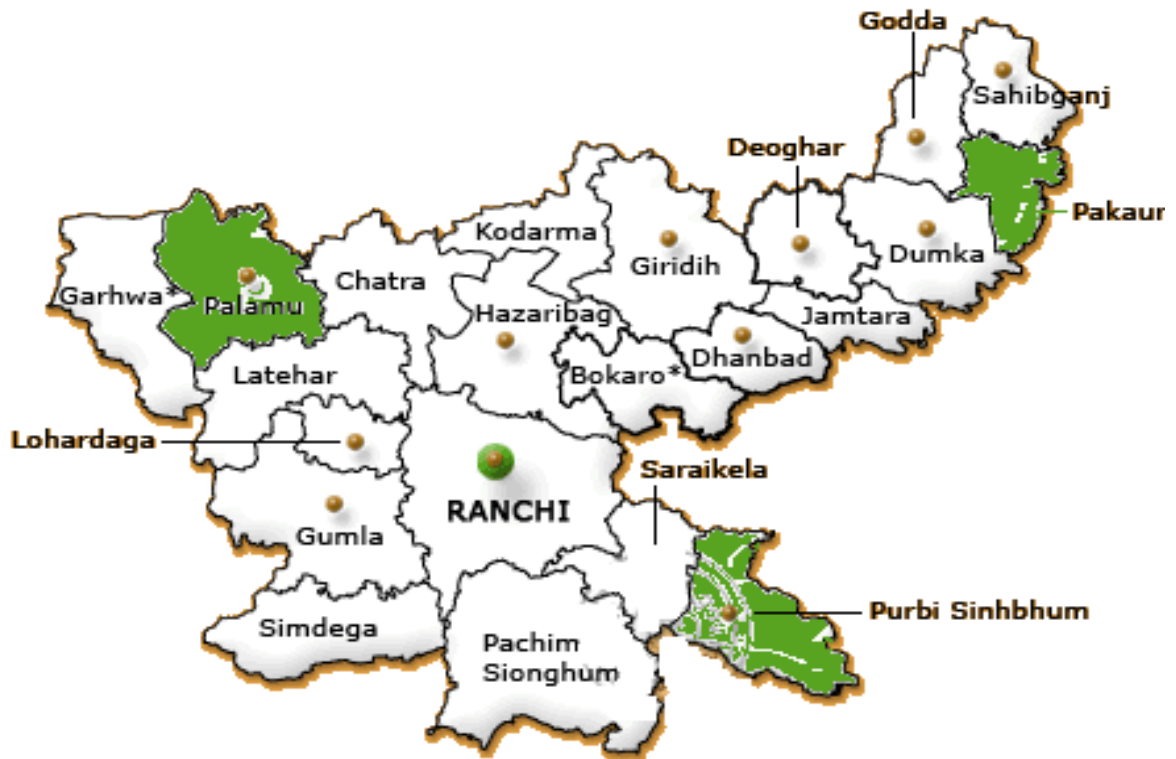
ABBREVIATIONS

BDO	Block Development Officer
BREGS	Bihar Rural Employment Guarantee Scheme
DDC	Deputy Development Commissioner
DPC	District Programme Co-ordinator
HHs	Households
NFFWP	National Food for Work Programme
NGOs	Non- governmental Organizations
NREGA	National Rural Employment Guarantee Act
NREGS	National Rural Employment Guarantee Scheme
OBCs	Other Backward Classes
PO	Programme Officer
PRIs	Panchayati Raj Institutions
SCs	Scheduled Castes
SGRY	Sampoorna Gramin Rozgar Yojana
STs	Scheduled Tribes

Districts Surveyed in Bihar: Gaya, Kishanganj, Nalanda, Rohtas, Samastipur and Supaul



Districts Surveyed in Jharkhand: Pakur, Palamau and East Singhbhum



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ACKNOWLEDGEMENT

We are thankful to the Ministry of Rural Development (MoRD), Government of India and United Nations Development Programme (UNDP) for sponsoring the second study on NREGA conducted by the Institute for Human Development (IHD). We are particularly grateful to Rita Sharma, Secretary, and Amita Sharma, Joint Secretary in the MoRD, and the UNDP team for their support and help in facilitating this study.

Dr. Alakh N. Sharma, Director, IHD, was a constant source of encouragement and support in the completion of the report. He also helped a lot in facilitating fieldwork at various levels. I express my sincere thanks to him for his support and co-operation in designing this study. Hariswar Dayal, Regional Director, IHD Ranchi, gave all kinds of support to the team while the latter was engaged in fieldwork in Jharkhand. Discussions with him were equally fruitful.

Jean Dreze, Professor, G.B. Pant Institute of Social Studies, Allahabad, helped in designing the study and also shared with us the worksite schedule, which had been used by him and his team in Orissa. I express my sincere gratitude to him. Rajiv Shukla, Senior Fellow, National Council for Applied Economic Research (NCAER), guided us in the selection of the sample and its design. D.N. Reddy, formerly Professor at Hyderabad Central University, read the entire first draft and gave very useful comments. His suggestions were of great help in revising the report.

Anoop Mukherji, Principal Secretary, and S.M. Raju, Additional Secretary, Department of Rural Development, Government of Bihar, were very cordial and co-operative. Apart from administrative support, they also offered useful comments during discussions. Their eagerness to listen to our findings was appreciable. S.K. Satapathy, Principal Secretary, Department of Rural Development, Government of Jharkhand, was equally warm and co-operative. His support to the team and willingness to listen to our findings and suggestions were praiseworthy.

A number of officials of the government at various levels - Centre, State, District, Block, Panchayat - provided administrative and field support. Without their co-operation and support, this study would not have been completed. I offer my sincere thanks to all of them.

Two state level workshops, one at Ranchi and another at Patna, were organized to share the draft report. The workshops were well-attended, not only by the secretaries and other officials of the rural development department of the two states, but also by the District Programme Co-ordinators, Programme Officers, PRI representatives, civil society organizations and academia. They raised some important issues and also offered valuable comments on the draft report. The study also benefited from the comments of N.K. Chaudhary, Professor of Economics, Patna University, Balaram ji, a NREGA activist in Jharkhand, and Rajpal, head of PRIYA at Ranchi.

The comments of the Ministry of Rural Development and UNDP were very important and meaningful. My special thanks are due to Nidhi Vij from the UNDP team at the MoRD for her unstinted co-operation and support. Sindhu Joshi and S.P. Sharma, who meticulously typed the whole manuscript, also deserve special thanks.

**New Delhi
November, 2008**

Ashok K. Pankaj
Senior Fellow and Project Director
Institute for Human Development

EXECUTIVE SUMMARY

Bihar and Jharkhand: Litmus Test for the Success of NREGA

- The NREGA covers 90 per cent of the total population in Bihar and 78 per cent in Jharkhand, the highest in the country.
- The high incidence of rural poverty, high level of seasonal and often distress migration out of these states, and low level of agricultural and rural development make these states ideal test cases for the study.
- The NREGA is being implemented in these states in the backdrop of:
 - (a) poor record of development delivery, including public works and poverty alleviation programmes;
 - (b) ineffective PRIs in Bihar and non-formation of formal PRIs in Jharkhand; and
 - (c) weak traditions of civil society mobilization.

Methodology

Household Survey

- The household survey was conducted on the basis of multi-stage stratified random sampling. Care was taken to undertake an in-depth study by ensuring that some of the households selected would also correspond with the earlier village survey conducted in 2006 in Bihar. During the first stage, 9 districts (including 6 from Bihar and 3 from Jharkhand) were selected. Within the selected districts, two blocks were selected from each of the districts (including 12 blocks in Bihar and 6 blocks in Jharkhand). Within the selected blocks, in all 30 villages (including 18 from Bihar and 12 from Jharkhand) were selected, comprising two villages from each block (except in the case of six blocks in Bihar wherein only one village in each block was selected).
- All the 6154 households (including 434 in Bihar and 1843 in Jharkhand) in the 30 villages were listed and a pre-sample census survey was conducted to find out the basic socio-economic characteristics of the households and their status in terms of participation in NREG. Based on

the census survey, a total sample of 900 households (including 540 from Bihar and 360 from Jharkhand) was drawn in a ratio of 2:1 of the NREG beneficiaries and non-beneficiaries. During the selection of beneficiaries, care was taken to provide space for the inclusion of those entering at different stages of implementation of the scheme.

Worksite Visits

- A total of 37 worksites, including 23 from Bihar and 14 from Jharkhand, were also surveyed to assess the availability of worksite facilities, issuance of job cards to the workers, verification of muster rolls, payment of wages, the location and quality of construction, and the usefulness of the scheme.

Focus Group Discussions (FGDs)

- Focus group discussions with the villagers, workers and representatives of PRIs and NGOs were also held. Discussions were also held with the key officials involved in the implementation to learn their views and the difficulties faced in implementation.

Methodological Clarification

- The sample is biased towards the villages, blocks and districts wherein the scheme has been implemented more efficiently than in the other areas. In addition, two-thirds of the households surveyed in the study are beneficiary households.

Socio-economic Conditions of the Beneficiary and Non-beneficiary Households

- The demographic characteristics of the beneficiary population indicate that they are generally poorer than the non-beneficiaries in both the states. For example, the literacy rate of the beneficiary households (overall in both Bihar and Jharkhand) is 53.29 per cent while that of the non-beneficiary households is 65.38 per cent. The work participation rate (WPR) of the beneficiary households, however, is higher than that of their non-beneficiary counterparts. Moreover, the WPR of the female

beneficiaries is not only higher than that of the male beneficiaries but also higher than that of the female non-beneficiaries. The low quality of employment (low wages) compels the beneficiary population to work harder to earn a minimum livelihood.

- Even though land continues to be an important source of livelihood in both the states, 65.56 per cent of the households in Bihar and 25 per cent in Jharkhand are landless. Further, the average size of the landholding is small, but smaller in Bihar than in Jharkhand. Moreover, the average size of the landholding of a beneficiary household is 0.05 hectare in Bihar and 0.21 hectare in Jharkhand as against 0.39 and 0.53 hectare of the non-beneficiary households in Bihar and Jharkhand, respectively.
- The overall asset base of the rural households is quite low in both the states. But more importantly, the asset base of the beneficiary households is much lower than that of the non-beneficiary households. Also, the share of productive assets is only one-third to one-fourth of the total assets, which also indicates that the capacity of the households to earn through their own resources is limited. The asset base varies significantly across socio-economic groups, but more so in the case of the non-beneficiary households.
- About 89 per cent of the beneficiaries were staying in thatched and *katcha* houses. The number of beneficiaries living in *katcha* houses was greater in Jharkhand than in Bihar. Basic amenities like electricity, in-house toilets and drainage were lacking in most of the beneficiary households, though the living conditions of the non-beneficiaries were equally bad.
- About 27 per cent of the beneficiaries (overall of Bihar and Jharkhand) were indebted. The ratio of the indebted households was more in Bihar than in Jharkhand. But indebtedness prevailed across both beneficiary and non-beneficiary households and across various socio-economic groups. The average amount of indebtedness of the beneficiary households is lower than that of the non-beneficiary households. An

overwhelming proportion of the indebtedness of both the beneficiary and non-beneficiary households is through traditional sources.

- Every fifth household was migrating. However, the incidence of migration was a little less from the beneficiary than from the non-beneficiary households. The absence of employment opportunities for both skilled and unskilled workers is a major factor that causes large-scale migration from both the states. The incidence of migration from Bihar was higher than from Jharkhand. Out-of-state and seasonal (3-6 months) migration dominated the trend in both the states.

Demand for Wage Employment across Socio-economic Groups

- The intensity of demand for wage employment under the NREGS is much higher in Jharkhand than in Bihar. Out of the total rural households surveyed, 77.76 per cent in Bihar and 90.40 per cent in Jharkhand were interested in seeking employment under the NREGS. The demand for wage employment under the NREGS has a correlation with the caste and land category of the households. Most of the demand for wage employment in both the states is from the SCs, STs, lower OBCs and the landless and near-landless households. The most important finding in this relation is that the demand for wage employment is inversely related to the size of the landholdings, as it declines with an increase in the size of the landholdings.

Caste Class Distribution of Beneficiaries

- The distribution of beneficiaries across socio-economic groups in Bihar indicates that Hindu were 88.12 per cent and Muslims 11.88 per cent. In terms of caste categories, the SCs constituted the largest proportion of beneficiaries (53.39 per cent) followed by OBC-II (22.45 per cent), OBC-I (15.13 per cent) and upper castes (5.76 per cent). In terms of land categories, the landless constituted 80 per cent of the beneficiaries and marginal landholders up to 13.65 per cent. Casual labourers in agriculture constituted the highest percentage of beneficiaries (77.99 per cent),

followed by casual labourers in non-agriculture (15.60 per cent) and the self-employed in agriculture (5.01 per cent).

- In Jharkhand, STs constituted 48.17 per cent of the beneficiaries; SCs, 27.85 per cent; OBC-II, 11.83 per cent; OBC-I, 7.43 per cent; and upper castes, 4.29 per cent. The concentration of beneficiaries is the largest among those who are landless or own less than one acre of land; about 80 per cent of the beneficiaries belong to this group. Casual labourers in agriculture and non-agriculture formed the largest part of the beneficiaries. The self-employed in agriculture also constituted 21.88 per cent of the beneficiaries in Jharkhand.

Awareness about the Act and the Scheme

- There was a very high level of awareness about the NREGS in both the states: 94.49 per cent of the households in Bihar and 96.20 per cent in Jharkhand were aware of the scheme. The level of awareness increased by 32.04 percentage points in Bihar between 2006 and 2008. It increased across districts and socio-economic groups.
- The quality of awareness was lacking in both the states: most of the people were aware only of the provision of 100 days of guaranteed wage employment in the scheme. The awareness about entitlement, minimum wages and other provisions was low in both the states. Also, people were unaware of the procedural details required for availing of the rights-based guaranteed employment.
- The village head, Gram Pradhan, other informed villagers and fellow workers were the main sources of spreading awareness and information about the NREGA in both the states. Access to modern means of communication was lacking.

Accessing Jobs under the NREGA: Registration for the Job Card, its Distribution, and Application for the Job

- In Bihar, 94 per cent of the households were aware, 72 per cent were interested in seeking wage employment, 53 per cent actually applied for the job card, 37.8 per cent were issued job cards, 27 per cent applied for the job, and 25 per cent were provided jobs as well.
- Similarly in Jharkhand, 87 per cent of the households were interested in seeking wage employment, 80 per cent applied for the job cards, 56 per cent got the job cards, and 52 per cent got the job as well.

Reasons for Not Getting Job Cards

- Out of the total applicant households that are yet to receive job cards in Bihar, the reason in 7.18 per cent of the cases was that officials were demanding payment for issuing the job cards, in 26.98 per cent of the cases, it was due to non-completion of verification, 8.06 per cent of the applicants were declared ineligible, the applications of 8.36 per cent of the applicants were rejected, and 25.95 per cent of the applicants were refused job cards.
- The largest number of refusals was reported in Gaya district (54.67 per cent) followed by Samastipur (41.86 per cent) and Rohtas (28.04 per cent). Incidences of officials demanding payment for issuing job cards were reported in the largest number in Supaul district followed by the districts of Samastipur, Rohtas, Nalanda, Kishanganj and Gaya.
- Of the total applicant households that are yet to receive job cards in Jharkhand, in 7.66 per cent of the cases, the reason was that the officials were demanding payment for this, in 24.45 per cent of the cases, it was due to non-completion of verification, 30.29 per cent of the applicants were refused job cards, 6.57 per cent were declared ineligible, the applications of 20.80 per cent of the households were rejected, and there were other reasons cited in the case of 10.22 per cent of the applicants.

Employment Days Provided

- Jharkhand has done better than Bihar in terms of the number of households provided employment and the average number of employment days provided.
- In 2007-08, the percentage of households provided employment as a ratio of the BPL households was 34 in Bihar and 64 in Jharkhand, almost double than that of Bihar. Also, Jharkhand has generated more employment days than Bihar. For example, in Bihar, the average number of person-days of employment provided per household increased from 16 days in 2006-07 to only 23 in 2007-08, but the corresponding number increased from 37 to 46 days in Jharkhand. However, employment generation varied across districts. Some of the districts have done considerably well while some others have done very poorly.
- The share of women beneficiaries in the total number of person-days of employment generation was 31 per cent in Bihar and 30 per cent in Jharkhand, which was marginally less than one-third in both the states.
- In terms of all the indicators of employment coverage and generation, there are pronounced variations across districts in both the states, which indicate that apart from the variation in the local conditions, the commitment of the officials involved in implementation also matters.

Actual Wage Payment to the Workers (Based on Worksite Surveys)

- The wage payment was less than the prescribed minimum wages. The actual wage payment, made on an average of 23 worksites in Bihar was Rs. 68.46, while it was Rs. 77.82 on an average of 14 worksites in Jharkhand.
- A strong tradition of the working class movement for enhanced wages in the agriculture sector has made the working class population conscious about the minimum wages prevalent in both the states. Nevertheless, the procedural aspect of wage payment needs attention, as payment on the basis of the piece rate system was not followed in a number of cases in both the states.

Methods and Time Taken in Wage Payment

- Out of 23 worksites surveyed in Bihar, the piece rate system was followed in only 10 cases and the daily wage system in 13 cases. Similarly in Jharkhand, out of the 14 worksites surveyed, the piece rate was followed in 50 per cent of the cases and the daily wage system in the balance 50 per cent.
- About 69 per cent of the beneficiary households in Bihar received wage payment within a week, 7 per cent within a fortnight, and 19 per cent on a daily basis. In Jharkhand, 15 per cent of the beneficiary households received payment daily, 56 per cent within a week, 14 per cent within a fortnight, and 12 per cent within a month.
- The incidence of wage payment through the bank and post office is negligible in Bihar, but in Jharkhand, about 38 per cent of the beneficiaries received payment through the bank or post office.

Facilities at the Worksites

- Worksite facilities were lacking in most of the cases. Drinking water was not available at 11 out of 23 worksites in Bihar and at 7 out of 14 worksites in Jharkhand. Facilities for providing first aid, crèches and shelter were also absent in most of the cases in both the states.
- Workers had little awareness of the facilities that are stipulated to be provided at the worksites and officials were insensitive to the provision of worksite facilities.

Impact Assessment

Impact on Individual Beneficiary:

- **Income from NREGA:** Even though the average number of employment days provided per households is relatively low in both the states, the scheme has been able to generate some impact on the livelihood conditions of the beneficiaries. The most obvious impact is that the income from NREGA has contributed to about 8 per cent of the total annual income of the households in Bihar and to about 2 per cent in Jharkhand. The relatively high share of NREGA in the total income of the beneficiary household in spite of the low number of employment days in

Bihar (and also in Jharkhand) is because of the very low income base of the households.

- **Contribution of NREGA to Food Security:** The beneficiaries in both the states used their earnings from the NREGA to spend mostly on food and daily consumption items. The share of food and daily consumption items was 67.30 per cent in Bihar and 71 in Jharkhand. Apart from food and other daily consumption items, most of the beneficiaries used their income from the NREGA for meeting the expenditure on healthcare, education, repayment of loans and the purchase of household durables.
- **Reduction in Indebtedness:** The NREGA has also played a role in the reduction of indebtedness among the beneficiary households. For example, 38 per cent of the beneficiary households were indebted in 2006 in Bihar; this figure came down to 31.37 per cent in 2008, signifying a reduction of seven percentage points within two years of implementation. (The findings are based on revisits of the beneficiary households.)
- **Reduction in Migration:** The NREGS may have also played a role in checking out-migration. For example, between 2006 and 2008, the incidence of migration came down by 12 percentage points among the beneficiaries in Bihar.

Macro Level impact

- The macro level impacts of the NREGS are more visible in terms of the community assets created. But there are also impacts on village and community life in terms of the mobilization of society and strengthening of PRIs. A remarkable impact is in terms of the increase in awareness about the concept of minimum wages and the claim that a worker has over this. Though both in Bihar and Jharkhand, there already is a high level of mobilization of peasants and the working class people for the enhancement of wages in the agriculture sector. Nevertheless, it has inculcated a new level of consciousness about entitlement to minimum wages. It must also be noted that the NREGA has not been able to create a significant impact on the local wage rate so far primarily because of the abundance of the labour force available there and also because of the low level of employment generation

under NREGA. A positive impact has also been found on the work participation rate (WPR).

Overall Remarks

- It appears that even after two years of the NREGS, its implementation has not really taken off in both the states. Bihar was facing an acute shortage of staff and trained personnel to implement the scheme. With the recruitment of the personnel (PO, *Rozgar Sevak*, Technical Assistant, Accountant), the implementation is getting streamlined. On the other hand, Jharkhand has yet to complete the recruitment process. Moreover, the latter is still doing without formal PRIs, a major consequence of which is the centralized implementation of the scheme by the bureaucracy that is against the design and objectives of the scheme. Even in Bihar, the PRIs are not playing a critical role in the implementation of the scheme, partly because of the lack of institutionalization, and the lack of effective devolution of powers and functionaries to these institutions.
- The basic deficits in the implementation of the scheme can be reduced to two points: one, the entire process has yet to become demand-driven and civil society-based, more so in Jharkhand than in Bihar. Two, the average number of person-days generated per household is quite low in contrast to the scheme's objective of providing 100 days of minimum employment and the existence of a high level of demand for the maximum number of employment days in the two states.
- Nevertheless, there are indications that the NREGA has had a small but potentially effective impact manifested in the increase in livelihood security, reduction in indebtedness and distressed migration from the beneficiary households, increase in the WPR, and the creation of community assets.

NREGA: A Hope for the Poor:

About 55 per cent of the beneficiaries in Bihar and 63 per cent in Jharkhand feel that the NREGA has improved their economic condition. About 61 per

cent of the beneficiaries in Bihar and 75 per cent in Jharkhand were also happy with the NREGA.

However, 98 per cent of the beneficiaries in Bihar and 96 per cent in Jharkhand demanded more than 100 days of employment, more than the minimum guaranteed employment days under the NREGA. This is also a clear indication that the work available under the NREGA is more beneficial for the households and, hence, preferred by them over other work. Moreover, there was an overwhelming demand for considering the individual and not the household as the unit for the guaranteed employment. This heavy demand in the two states is primarily because of the low level of development of agriculture and its seasonal character, and the lack of employment opportunities in the non-agriculture sector.

Chapter I
INTRODUCTION AND METHODOLOGY

I. INTRODUCTION

The National Rural Employment Guarantee Scheme (NREGS) has been devised as a public work programme to address the issue of a rights-based approach to development; provide income security to the rural households through guaranteed wage employment; reduce/check distress migration from the rural to urban areas; and create durable community assets (in the rural areas) to trigger an overall development of about six lakh Indian villages.

Socio-economic Context

The jobless growth of the 1990s, stagnation or even decline in the growth of agricultural productivity, distressed farmers committing suicide in various parts of the country and increased migration from the rural to urban areas were the larger socio-economic contexts of the National Rural Employment Guarantee Act (NREGA). Voting out of “India shining” and some icons of economic reforms in the 2004 Parliamentary and Assembly elections formed the immediate political contexts of the Act¹. It is also learnt that it is an attempt to moderate the consequences of economic reforms which has increased income and regional inequality in the reform phase².

There is a constitutional context as well. Article 41 of the Indian Constitution provides a non-justiciable right to work under the Directive Principles of State Policy and proclaims: “The State shall, within the limits of its economic capacity and development, make effective provision for securing the right to

¹ See Ashok K. Pankaj, ‘NREGA: Guaranteeing the Right to Livelihood’, in *India Social Development Report 2008* (Delhi: Oxford University Press, 2008), pp. 221-23.

² See M.S. Ahluwalia (2000), ‘Economic Performance of States in Post-Reforms Period’, *Economic and Political Weekly*, Vol. XXXV, No. 19, pp. 1637-48; N.J. Kurian (2000), ‘Widening Regional Disparities in India’, *Economic and Political Weekly*, Vol. XXXV, No. 7, pp. 538-50; Angus Deaton and Jean Dreze (2002), : ‘Poverty and Inequality in India: A Re-examination’, *Economic and Political Weekly*, Vol. 37, No. 36, pp. 3729-48; Nirvikar Singh, Lavesh Bhandari, et al. (2003), ‘Regional Inequality in India: A Fresh Look’, *Economic and Political Weekly*, Vol. 38 No. 1, pp. 1069-73; Sabyasachi Kar and S. Saktivel (2007), ‘Reforms and Regional Inequality in India’, *Economic and Political Weekly*, Vol. 42, No. 47, pp. 69-77.

work in case of unemployment”³. This Article remained dormant for fifty-five years until the legislation of the NREGA in 2005. However, the NREGA is a partial fulfillment of the right to work, as it assures employment at the household and not at the individual level, and guarantees a maximum of 100 days of wage employment. Nevertheless, it signifies a landmark development in the sense that it highlights the confidence of the state in its economic capacity to convert non-justiciable rights provided in Part IV of the Indian Constitution into justiciable ones.

The NREGA was passed by the Parliament of India in its monsoon session of 2005. The Act received the assent of the President on September 5, 2005, and was notified in the *Gazette of India* on September 7, 2005. It came into force in 200 selected (backward) districts of the country on February 2, 2006, and was extended to 130 more districts from April 1, 2007 onwards. It has since been extended to all the districts from April 1, 2008, preponing its universal coverage by three years, a bold step indeed.

Objectives of the Scheme

The main objective of the Act is: “To provide for the enhancement of livelihood security of the households in rural areas by providing at least 100 days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work”⁴.

Its other objectives are:

- Reduction of distressed migration from the rural to urban and from one part of the rural to another part of rural areas;
- Creation of durable assets in villages;
- Invigoration of civic and community life and enlivening of Panchayati Raj Institutions (PRIs) (the village level democratic bodies), as they have been entrusted to formulate, implement and monitor the scheme;

³ V.N. Shukla, *The Constitution of India* (Lucknow: Eastern Law Company, 2004), p. 305.

⁴ *Gazette of India*, Extraordinary, Part II, No. 48, Delhi, September 7, 2006, p.1.

- Empowerment of rural women by providing them the opportunity to earn income independently and to participate in social groups (workers);
- Overall development of the rural economy;
- Promotion of inclusive growth and development; and
- Facilitation of multiplier effects on the economy.

NREGS and Other Employment Generation Programmes

NREGA draws heavily on the experiences of a number of rural wage employment programmes of the Central and State Governments. Among the major national level rural employment generation schemes are the National Rural Employment Programme [NREP] 1980-89; Rural Landless Employment Guarantee Programme (RLEGP) 1983-89; Jawahar Rozgar Yojana (JRY) 1989-99; Employment Assurance Scheme (EAS) 1993-99; Jawahar Gram Samridhi Yojana (JGSY) 1999-2002; Sampoorna Grameen Rozgar Yojana (SGRY) effective since September 2001; and National Food for Work Programme (NFFWP) effective since November 14, 2004. (The SGRY and NFFWP have now been merged with NREGS 2005.) These programmes were supported by the Central Government and the State Governments shared part of the burden. The Maharashtra Employment Guarantee Scheme (MEGS), which commenced in 1965, was an important state-level wage-employment programme. However, most of these schemes were formulated and implemented by the executive agency of the government and, as such, were subject to alteration and termination at the will of the executive. But unlike the previous employment assurance schemes, the NREGS has been created by an Act of Parliament and, hence, can be altered or terminated only by the same body.

The NREGS is different from erstwhile employment generation programmes not only in terms of its origins and objectives, but also in its design. The erstwhile employment programmes were formulated and implemented by the state bureaucracy largely in a centralized manner; there was little

involvement of the local community in the selection and implementation of the scheme; the implementation was not subject to social monitoring/auditing; pilferage of resources, leakages and corruption marred implementation of the schemes; and most of them were supply-driven wage-employment schemes. Further, the concept of workers' entitlement to minimum and timely payment of wages, unemployment allowance in case of the inability of the implementing agencies to provide jobs on demand, and facilities at worksites were not there, except in the case of the MEGS which innovated some of these concepts. However, most of the innovative provisions of MEGS remained dormant/notional. For example, there was not a single case of the payment of unemployment allowance during more than three decades of the implementation of the MEGS. Moreover, reading with various provisions of social audits, transparency and accountability and institutional mechanisms, NREGS demands synergization of the role of the state and civil society. Further, it is not merely an employment generation or social security programme, but combines various objectives of rural development, which imparts a unique distinction to it.

Varying degrees of success and failures have been attributed to the erstwhile employment generation programmes⁵. Similarly, the initial years of implementation of the NREGS suggests mixed experiences including successes/failures across districts and states. States like Rajasthan and Andhra Pradesh have done reasonably well while Jharkhand, Uttar Pradesh and Bihar have not made satisfactory progress. The variations in implementation have an implication for outcomes because there is a close relation between implementation and impact in the case of the NREGS. If it is implemented only partially, its major objectives would get easily defeated. For example, if a household is not provided the minimum of 100 days of employment and at the prescribed wages, the purpose of providing livelihood

⁵ See Maitriya Krishnaraj, Diya Pandey, *et al.* (2004), 'Does EGS Require Restructuring for Poverty Alleviation and Gender Equality?' *Economic and Political Weekly*, Vol. XXXIX, No. 17, April 24-30; Martin Ravillion, G. Datt and S. Chaudhari (1993), 'Does Maharashtra Employment Guarantee Scheme Guarantee Employment', *Economic Development and Cultural Change*, Vol. 41, No. 2, pp. 251-75; N. Reynolds and P. Sunder (1977), 'Maharashtra's EGS: A Programme to Emulate?', *Economic and Political Weekly*, Vol. 12, No. 29, pp. 1148-49.

security would not be served. Moreover, the availability of employment for less than 100 days would have little impact on the seasonal migrant workers, who migrate for a period of about 60 to 100 days in search of wage employment.

Bihar and Jharkhand: Litmus Test for the Success of NREGS

The successful implementation of NREGA in Bihar and Jharkhand is important for a number of reasons. One, Bihar and Jharkhand were the only two states wherein NREGA covered 100 percent of the rural population during the first phase (up to March 31, 2008). As such, the two states together shared 18.18 per cent of the NREGA districts and 20.54 per cent of the NREGA-covered population of the country in the first phases. The two states are primarily rural: 90 per cent of the total population in Bihar and 78 per cent in Jharkhand live in the rural areas and is covered under the NREGA. Two, various factors such as the high incidence of overall and rural poverty, low level of agricultural development, heavy dependence of the population on agriculture and allied sectors for livelihood, low level of non-farm employment opportunities, inequalitarian socio-economic structure, and heavy migration from the rural areas in search of livelihood, among others, make the states of Bihar and Jharkhand outstanding cases for the implementation of the NREGA as also a litmus test for its success. Three, efficient governance and development delivery remain a challenge for both Bihar and Jharkhand. Inefficiency, leakages, and poor and inefficient utilization of development funds and resources⁶ are major hurdles in both the states.

The development delivery capacity of Bihar in comparison to that of some other states⁷ and vis-à-vis some important rural poverty reduction and employment generation programmes, including SGRY and NFWP that have now merged with NREGS, has not been very encouraging over the last few years. Although the recent initiatives by the government in the state have improved the situation, yet much still needs to be done. The implementation

⁶ See N.C. Saxena, *Central Financial Transfers to Bihar*, Paper submitted to UNICEF.

⁷ See *The Twenty-Point Programme: Progress Report 2004-2005*, Ministry of Statistics and Plan Implementation, Government of India.

of government programmes and service delivery have been equally disappointing in Jharkhand. A recent study, "Concurrent Evaluation of Major Poverty Alleviation Programmes", monitored during two quarters across eight districts of the state⁸, suggests that the implementation of poverty alleviation programmes remains a challenge for the newly created state. Interestingly, the movement for the creation of the separate state of Jharkhand was galvanized by hope for a better governed and developed state after its bifurcation from Bihar.

Four, it appears that the design of the NREGS is biased towards states wherein PRIs are better institutionalized and effective; the level of social mobilization is relatively high; and the grassroots organizations of both the state and civil society have greater capacity to deliver.

The NREGS has been implemented in the backdrop of the same administrative and institutional set-up existing in the two states. However, unlike other poverty alleviation programmes, NREGA demands and in fact, the Act provides for a special institutional arrangement including personnel for implementation of the scheme. But the institutionalization of the mechanism itself remains a challenge for the two states. Interestingly, Bihar has almost completed the process of the constitution of the State Employment Guarantee Council, recruitment of programme officers, *rozgar sevaks* (employment workers), technical assistants, etc. This has started paying off and the implementation scenario is likely to be quite different in the coming future. On the other hand, Jharkhand has not completed this process (till the writing of the report). Jharkhand is also doing without the formal PRIs though the scheme has been designed in a manner that assigns a crucial role in its implementation to PRIs.

It is in this context that the present study attempts to assess the institutions, processes and mechanisms of implementation and make a preliminary impact assessment vis-à-vis the objectives of the Act. This study is also

⁸ Institute for Human Development (2007), *District Level Monitoring of SGRY, SGSY, IWDP and IAY in Eight Districts of Jharkhand*, Ministry of Rural Development, Government of India.

informed by the 2006 study of Bihar.⁹ The advantage of the previous study lies in its examination of the trends and changes, and its assessment of the impact on individual beneficiary and macro factors.

II. OBJECTIVES OF THE STUDY

The main objectives of the study are:

- a. Understanding the implementation process of the NREGA in terms of the institutional involvement with specific reference to the PRIs, project staff, civil society organizations, peoples' participation and social mobilization.
- b. Facilitating a preliminary assessment of the impact on employment and livelihood security, migration, local wages and labour market conditions, community assets and rural infrastructure.

In the light of the above objectives, an attempt has been made to examine the process of registration, verification and issue of job cards in order to assess the reach of the scheme to all the deserving sections of the rural society, especially the poorest, landless and women-headed households. The NREGS is different from the erstwhile scheme in terms of being a demand-driven programme. Hence, efforts have been made to assess whether the employment generation has remained supply-driven (as in the past), or has become a demand-driven process. The realization of entitlements and the process and difficulties entailed in this realization have also been examined. The focus of the study remains on wage payment, the mode and method of payment and the four facilities at worksites. It is also important to consider the nature of works undertaken and the quality of assets created for examining the objective of asset creation. The other areas that have been examined in detail include the institutional arrangement, planning process, and transparency and accountability mechanisms. The study investigates the extent to which the administrative and institutional mechanisms at various levels are geared towards implementing the programme. Have Programme Officers, supporting staff members and other personnel been appointed at

⁹ *Evaluation and Impact Assessment of National Rural Employment Guarantee Scheme in Bihar* (2006), Institute for Human Development, New Delhi.

the block level? What is the role of PRIs in the selection of works, planning, implementation and monitoring? Has there been proper coordination among PRIs and the personnel responsible for project implementation in the planning and execution of the scheme? The planning includes the process followed for the selection of the works and shelf of projects, preparation of village, block and district perspective plans, selection of the project implementation agency, and examination of the appropriateness and revision of District Schedules of Rates, among other things. As regards the provision for ensuring transparency and accountability, the various factors examined include the availability of muster rolls, display of board showing estimates of the project and name of the executive agency, among others. Lastly, the social mobilization of the workers and civil society, which is an important ingredient of the rights-based employment programme, has been explained.

III. METHODOLOGY OF THE STUDY

Approaches

This study aims at understanding the processes, institutions and mechanisms of implementation and impact assessment of NREGS in the states of Bihar and Jharkhand. In the case of Bihar, the 2006 study¹⁰ has been used as a baseline. In 2006, about 1200 households across 60 villages, 12 blocks, and six districts were selected through a stratified random sampling method and surveyed by using a semi-structured questionnaire. In order to examine the qualitative changes (not to make an estimate) in the process of implementation and to assess the impact on individual beneficiaries and macro factors like community assets, local agrarian and labour market conditions and migration, the same households, villages and districts have been revisited. However, in the case of Jharkhand, the districts, blocks, villages and households have been selected afresh, but in the same manner as was done during the conduct of the 2006 study of Bihar.

Selection of Districts, Blocks and Villages

¹⁰ *Evaluation and Impact Assessment of NREGA in Bihar (2006)*, Institute for Human Development, New Delhi.

Districts:

The six districts of Bihar - Rohtas, Gaya, Nalanda, Kishanganj, Supaul and Samastipur - have been revisited. These districts were selected from three groups, formed on the basis of various indicators such as agricultural productivity, rural literacy rate, the total rural SC population, cropping intensity, and urbanization. These districts are also geographically spread throughout the state, over north and south, east and west.

The three districts of Jharkhand selected for the study are East Singhbhum, Pakur and Palamau. They have been selected from the three groups (clusters) formed by using the range equalization method on the basis of the following indicators: production of foodgrains per hectare, level of urbanization, work participation rate, percentage of workers engaged in non-agricultural occupations, the total non-SC/ST population and the percentage of villages having paved roads. However, each district from the cluster has been purposively selected by taking into consideration the fact that the selected districts represent the three - Kolhan, Santhal and Central regions of Jharkhand.

Blocks:

Two blocks were picked up from each selected district during 2006. The blocks were purposively chosen on the basis of their level of development, proximity to the district (HQ) town/city, irrigated areas, and status of the NREGA implementation during the survey period. Thus the 12 blocks in Bihar were Gaya Sadar and Sherghati from Gaya district; Kishanganj and Bahadurgarh from Kishanganj district; Rahui and NoorSarai from Nalanda district; Noakha and Karhar from Sasaram district; Pusha and Kalyanpur from Samastipur district; and Raghapur and Saraigarh Bhapitihari from Supaul district. All the 12 blocks have been revisited. The six blocks in Jharkhand have been selected on basis of the criteria used in the case of Bihar and as mentioned above.

Villages:

The study has been undertaken in 18 villages, selected from the six districts of Bihar and 12 villages from the three districts of Jharkhand. The 18 villages

of Bihar have been chosen from the list of 60 villages, which were surveyed and studied during 2006. However, the 18 villages have been selected by choosing three each from six districts through stratified random sampling by using the probability proportion to size (PPS) method. The villages are stratified on the basis of a few indicators like the total size of the population, the number of NREGA beneficiaries, literacy rate and the total SC population. The 12 villages in Jharkhand have been selected by using the same method.

Households:

All the households in the selected villages were listed first to stratify them on the basis of certain characteristics like beneficiary and non-beneficiary household, size of the landholding, occupational pattern, income and asset levels. Then, a total of 30 households, including 20 beneficiary and 10 non-beneficiary ones, were chosen from each selected village. The households were selected by using the successive sampling method. Since a sizeable number of the households selected during 2006 were non-beneficiaries, new beneficiaries were added to the list of old ones to complete the selection of 20 beneficiary households. For example, in a village 'A', if only 10 households were NREGS beneficiaries during the 2006 study, all these 10 were retained and 10 new ones were added. However, if there were only 5 beneficiaries, then 15 new beneficiaries were added.

The non-beneficiary households were selected for two reasons. One, there are chances that some deserving and willing households have not benefited from the scheme as yet. The inclusion of non-beneficiary households helped in understanding the reasons for their exclusion or for their inability to avail of the scheme. Two, the socio-economic profiles of these non-beneficiary households helped in assessing the demand for the scheme among various socio-economic groups. It may also be useful in estimating the number of expected NREGA beneficiary groups in both the concerned district and the state.

The 10 non-beneficiary households were also selected through stratified random sampling. It may be possible that some of the deserving households/target households are still outside the beneficiary groups. In

order to probe in detail why they have been left out, 5 non-beneficiary households, generally consisting of Scheduled Castes (SCs), Scheduled Tribes (STs), lower Other Backward Classes (OBCs), the landless and nearly-landless, and seasonal migrants were purposively selected and surveyed. Another 5 non-beneficiary households were randomly chosen from the relatively better-off strata to learn about their preferences, perceptions and the level of participation (in the selection of scheme through Gram Sabha, social auditing, etc.) in the scheme.

Methods of Data Collection

The study has used both quantitative and qualitative methods of data collection. Its main elements are as follows:

1. *Household Listing:* All households in the selected villages were listed to stratify them on the basis of certain characteristics like beneficiary and non-beneficiary, size of the landholding, occupational pattern, income and asset levels. A structured schedule was canvassed to seek information regarding the family size, education, occupation and employment status, land, assets and liabilities, awareness about NREGA, sources of information and the level of participation at various stages of planning, selection, implementation and social monitoring of the scheme.
2. *Household Schedule:* A semi-structured questionnaire was distributed to the 20 beneficiary and 10 non-beneficiary households. The questionnaire gathered information on the demographic characteristics of the household; its income and asset base; liabilities; employment status; earnings from public work programmes and migration; participation of the household in the scheme either as a beneficiary or as a non-beneficiary; the impact of the programme on the household, largely in terms of income and employment security; impact on migration, asset creation, debt repayment and the trend prevailing in the use of earning through the NREGS. The perception of the beneficiary regarding the programme in terms of its utility and dimension of coverage, that is, the number of employment days that the beneficiary is entitled to and the unit of the beneficiary, which should be either a household or an individual, was also

assessed. However, from the non-beneficiary household, information regarding its willingness to avail of and its need to participate in the employment guarantee programme was collected. The reasons for the inaccessibility of the programme to some households were also explored.

3. *Village Schedule*: Community level data was collected from the selected villages by using a semi-structured village schedule. This included information relating to the general living conditions in the village, basic amenities, employment pattern, crop and food cycle, intensity and pattern of migration, indebtedness, local wages, etc; and the impact of the NREGS on the village community and the latter's social and economic life.
4. *Officials/Representative Questionnaire*: The officials and PRI representatives involved in the implementation of the NREGS were interviewed through a semi-structured questionnaire to assess their perceptions and difficulties. This helped in identification of the practical difficulties from the perspective of the implementing agency.
5. *Focused Group Discussion*: Qualitative data were also collected through a focused group discussion (FGD) on issues such as: (i) the criteria, if any, used for the selection of the beneficiary and reasons for the exclusion of eligible households; (ii) implementation of the programme and leakages; (iii) participation of the beneficiary in the selection of works; and (iv) problems faced by the beneficiary and suggestions to mitigate these problems. Meetings were held with the elected PRI and village level development functionaries to understand their strengths and difficulties, and to elicit their views on various aspects of the programme. Open discussions and interviews with the district, block and local development officials, NGOs, village leaders, etc. were also held. The FGD helped in identifying bottlenecks in the proper implementation of the scheme and provided insights for policy suggestions.
6. *Worksite Survey*: A total of 37 worksites, including 23 from Bihar and 14 from Jharkhand, were also surveyed. A semi-structured questionnaire was used to collect worksite-related information like the actual number of male and female workers and the number entered into the muster rolls, availability of job cards with the workers at the worksite, the use of

machines, hiring of contractor, and availability of the four facilities at the worksite. Discussions were also held with the workers to learn about the actual wages being paid to them, the time lag in the payment of wages, and any harassment or exploitation of the workers. Visits to the worksites by the surveyors also helped them in assessing the quality of construction, location and utility of the project.

7. *Workshops*: Two consultation workshops, one at Patna and another at Ranchi, were held to validate the findings. A number of government officials, members of academia, PRI representatives, workers and representatives of NGOs attended the workshops.

Annexure 1.I: Financial Performance under SGSY, SGRY, IAY and NFFWP in Bihar (2003/04–2007/08)

Financial Year	Total Available Funds (Rs. in Lakhs)	Total Expenditure (Rs. in Lakhs)	Fund Utilization Ratio* (%)
SGSY			
2003-04	14383.98	11216.46	77.98
2004-05	17655.29	13442.98	76.14
2005-06	15951.10	7495.52	46.99
2006-07	28091.83	15523.33	55.26
SGRY-I			
2003-04	34627.15	25849.43	74.65
SGRY-II			
2003-04	30467.83	22743.98	74.65
2004-05	77888.17	63479.62	81.50
2005-06	63595.03	32953.59	51.82
2006-07	25955.98	22379.82	86.22
IAY (New Construction)			
2003-04	39263.09	30322.03	77.23
2004-05	62647.78	46850.49	74.78
2005-06	81958.86	54041.02	65.94
2006-07**	134347.18	107466.24	79.99
Upgradation			
2003-04	8879.32	6429.44	72.41
2004-05	14669.38	10978.53	74.84
2005-06	19566.51	10821.61	55.31
2006-07	31388.52	10622.75	33.84
Total Sanitation Campaign			
2003-04	630.20	637.22	101.11
2004-05	473.54	722.91	152.66
2005-06	6261.87	1773.63	28.32
2006-07	2016.08	3953.45	196.10
2007-08	11606.41	6470.22	55.75
NREGA			
2006-07			
Phase I	119117.81	71276.16	59.84
2007-08			
Phase I	90170.48	57920.29	64.23
Phase II	48719.70	23692.48	48.63

Source of data: <http://rdd.bih.nic.in/annualreports/index.htm> (Rural Development

Department, Government of Bihar).

* Fund utilization ratio means expenditure as a percentage of the total available funds.

** IAY (New Construction and Up gradation) data of 2006-07 are up to November 2007

Annexure 1.II: Financial Performance under SGSY, SGRY, IAY and NFFWP in Jharkhand (2003/04–2007/08)

Financial Year	Total Available Funds (Rs. in Lakhs)	Total Expenditure (Rs. in Lakhs)	Fund Utilization Ratio (*)
SGSY			
2003-04	5906.06	4711.54	79.77
2004-05	7405.88	5587.89	75.45
2005-06	6994.72	6518.55	93.19
2006-07	5438.92	4558.18	83.81
SGRY-1			
2003-04	24496.93	19472.34	79.49
SGRY-II			
2003-04	26345.93	20808.25	78.98
2004-05	47095.52	39395.87	83.65
2005-06	57619.72	52476.11	91.07
2006-07	10350.61	7518.17	72.64
IAY (New Construction)			
2003-04	11633.55	9143.44	78.60
2004-05	18195.85	13686.19	75.22
2005-06	12098.39	10439.81	86.29
2006-07	9148.20	6921.61	75.66
Upgradation			
2003-04	2507.28	1890.47	75.40
2004-05	3142.35	2257.01	71.83
2005-06	3050.88	2545.97	83.45
2006-07	2659.56	1776.06	66.78
Total Sanitation Campaign			
2003-04	487.92	332.68	68.18
2004-05	2259.32	320.65	14.19
2005-06	2931.79	746.70	25.47
2006-07	4347.53	4906.63	112.86
2007-08	3790.76	3278.60	86.49
NREGA			
Phase I	98220.95	71155.13	72.44
2006-07			
2007-08	109699.74	85049.11	77.53
Phase II	4836.88	3667.80	75.83

Source of data:- <http://www.jharkhandrdd.nic.in> (Rural Development Department, Government of Jharkhand).

Note: SGSY (2006-07) and SGRY-II (2006-07) data are up to November 2007.

New construction and upgradation of IAY (2006-07) data are up to January only.

* Fund utilization ratio means expenditure as a percentage of the total available funds.

Annexure 1.III: Sample Selection of Households from Bihar

District	Block	Village	Old Beneficiary*	New Beneficiary	Non-Beneficiary	Total
1. Gaya	Sadar	English	9	11	10	30
		Nasir Pur	7	13	10	30
	Sherghati	Manjhar Khurd	4	16	10	30
2. Kishanganj	Bahadurganj	Gopala	19	1	10	30
	Kishanganj	Andhua Kola	0	20	10	30
		Madva Toli	16	4	10	30
3. Nalanda	Noorsarai	Balsar	0	20	10	30
		Ratan- pura	0	20	10	30
	Rahui	Amba	1	19	10	30
4. Rohtas	Kargahar	Sahuar	4	16	10	30
	Noakha	Dumra	14	6	10	30
		Gosaipur	11	9	10	30
5. Samastipur	Kalyanpur	Daulat Pur	0	20	10	30
		Thahara	4	16	10	30
	Pusa	Narayan-pur Mushshar Tola	4	16	10	30
6. Supaul	Raghopur	Gam-hariya	0	20	10	30
	Saraigarh	Murali Milik	4	16	10	30
		Narayan-pur	5	15	10	30
Total	12	18	102	258	180	540

Note: * Old beneficiary households were selected from the list of households surveyed in 2006.

Annexure 1.IV: Sample Selection of Households from Jharkhand

District	Block	Village	2008		
			Beneficiary	Non-Beneficiary	Total
1. Pakur	Littipara	Bichmahal	20	10	30
		Bansjori	21	9*	30
	Pakur	Fatehpur	20	10	30
		Rajapur	20	10	30
2. Palamau	Hariharganj	Parsa Chuan	23	7*	30
		Semarwar	19	11*	30
	Medini Nagar	Chukru	19	11*	30
		Kundelwa	18	12*	30
3. East Singhbhum	Ghatshila	Baitalpur	20	10	30
		Chhotakhursi	20	10	30
	Patamda	Bankada	20	10	30
		Lekro	27	3*	30
Total	06	12	247	113	360

Note: * In some of the villages, the number of non-beneficiary households was less than ten and in some others, the number of beneficiary households was less than twenty, which explains a little deviation in the selection of the households.

Annexure 1.V: List of Worksites Surveyed (Total = 37:- Bihar = 23, Jharkhand =14)

Sl.	Name of the Worksite Village	Nature of the Work/Scheme	District	Block
BIHAR				
1.	Nasirpur	Repair and <i>katcha</i> filling of Road	Gaya	Sadar Block
2.	Khandel	Repair and <i>katcha</i> filling of Road	Gaya	Sherghati
3.	Manjhahar Khurd	Repair and <i>katcha</i> filling of Road	Gaya	Sherghati
4.	Belwa	<i>Katcha</i> Road filling	Kisanganj	Kisanganj
5.	Marwatoli	Embankment-cum-road filling	Kisanganj	Kisanganj
6.	Andhawacol	<i>Katcha</i> filling of road	Kisanganj	Kisanganj
7.	Barara	Renovation of outlet	Nalanda	Noorsarai
8.	Ratanpur	Filling and repair of eroded embankment	Nalanda	Noorsarai
9.	Amba	Filling and repair of eroded embankment	Nalanda	Rahui
10.	Damara	Digging of outlet	Rohtas	Noakha
11.	Kadhwan	Digging of outlet	Rohtas	Nokha
12.	Majrar	Repair and filling of road	Rohtas	Nokha
13.	Chamraha	Digging of outlet	Rohtas	Karaghar
14.	Sonhar	Digging of outlet	Rohtas	Karaghar
15.	Thathara	Road filling and culvert construction	Samastipur	Kalyanpur
16.	Daulatpur	Digging of tank	Samastipur	Kalyanpur
17.	Gangapur	Digging of outlet and culvert construction	Samastipur	Pusa
18.	Shri Rampur Ayodhya	Renovation of old tank	Samastipur	Pusa
19.	Gamarhya	Digging of canal	Supaul	Raghopur
20.	Gamarhya	Filling and repair of road	Supaul	Raghopur
21.	Gamarhya	Filling and repair of road	Supaul	Raghopur
22.	Motipur	Digging of outlet and repair of embankment	Supaul	Raghopur
23.	Murlimilik	Digging of outlet	Supaul	Saraigadbhavtiyah

Sl.	Name of the Worksite Village	Nature of the Work/Scheme	District	Block
Jharkhand				
1.	Bakada	<i>Pucca</i> drainage for irrigation	East Singhbhum	Patamda
2.	Lekro	Check dam and <i>naala</i>	East Singhbhum	Patamda
3.	Chhota Khursi	Filling and road repair	East Singhbhum	Ghatshila
4.	Jagarnath-pur	Check dam and <i>naala</i>	East Singhbhum	Ghatshila
5.	Amchuria	Repair of <i>katcha</i> road	East Singhbhum	Ghatshila
6.	Rajapur	Digging of pond on private land	Pakur	Pakur
7.	Rajapur	Renovation of old tank	Pakur	Pakur
8.	Dubrajpur	Renovation of old tank	Pakur	Pakur
9.	Dubrajpur	PCC road construction	Pakur	Pakur
10.	Kundelwa	Digging of pond on private land	Palamau	Medni Nagar Sadar
11.	Kundelwa	Digging of pond on government land	Palamau	Medni Nagar Sadar
12.	Parsachuya	Irrigation well construction	Palamau	Hariharganj
13.	Parsachuya	Filling and repair of road	Palamau	Hariharganj

14.	Ganki	Digging of tank	Palamau	Medni Nagar Sadar
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Chapter II

SOCIO-ECONOMIC CHARACTERISTICS OF THE SAMPLE HOUSEHOLDS

This chapter explains the socio-economic characteristics of the sample households. The sample consisted of two types: (a) beneficiary, and (b) non-beneficiary households. The beneficiary households constituted two-thirds and the non-beneficiary one-third of the sample. Thus, the overall characteristics are biased by the larger size of the beneficiary households. Since the landless or near-landless, SCs, STs, lower OBCs and (lower) Muslims and casual labourers in agriculture and non-agriculture constituted the largest proportion of the beneficiaries, the socio-economic conditions of these households dominate the overall characteristics of the sample.

Selection of Sample

A total of 900 households, including 540 from Bihar and 360 from Jharkhand, constituted the overall sample size. Out of 540 households from Bihar, 360 were beneficiary and 180 non-beneficiary, and out of 360 from Jharkhand, 247 were beneficiary and 113 non-beneficiary, in the ratio of 2:1.

Sample Distribution: Overall of Bihar and Jharkhand

Beneficiary Households

The distribution of beneficiary households across castes and communities indicates that Hindus constituted 83.86 per cent, Muslims, 10.87 per cent, Christians, 0.66 per cent, and indigenous and other religious groups, 4.61 per cent of the total sample. The largest proportion of the beneficiary households came from the SCs (45.96 per cent), followed by STs (20.43 per cent); OBC-I category persons, that is, lower OBCs (17.96 per cent); and OBC-II, that is, upper OBCs (10.05 per cent). Upper castes also constituted 5.60 per cent of the beneficiary households. Land category-wise, the landless formed the largest section of the beneficiary households (55.68 per cent),

followed by marginal landholders (38.22 per cent). The small landholders constituted 5.60 per cent, and medium farmers, merely 0.49 per cent of the beneficiary households. As expected, there were no beneficiary households from the large landholders. This, in a sense, indicates a reverse correlation between land ownership and NREGA beneficiaries, a trend prevalent across other states as well. In terms of occupational category, casual labourers in agriculture constituted 40.03 per cent of the beneficiary households and casual labourers in non-agriculture, 25.54 per cent. Interestingly, the self-employed in agriculture and non-agriculture also constituted 13.84 per cent and 7.91 per cent, respectively, of the beneficiary households. Even salaried households constituted 2.31 per cent of the beneficiary households, which defied the general trend.

Non-beneficiary Households

The distribution of non-beneficiary households across castes and communities shows that Hindus constituted 81.57 per cent, Muslims, 13.99 per cent, Christians, 0.68 per cent, and indigenous groups, 3.75 per cent of the total sample. The upper castes constituted 7.17 per cent, OBC-I, 24.57 per cent, OBC-II, 32.08 per cent, SCs 19.45 per cent, and STs, 16.72 per cent of the total sample. The landless constituted 36.18 per cent and marginal landholders, 46.08 per cent of the sample. The occupation-wise distribution shows that the self-employed in agriculture constituted 29.69 per cent, the self-employed in non-agriculture 12.63 per cent, casual labourers in agriculture, 12.63 per cent, and casual labourers in non-agriculture, 20.14 per cent of the sample.

The presence of a considerable number of landless (36.18 per cent) and marginal landholders (46.08 per cent) in the non-beneficiary group indicates that they either have some alternative opportunities of employment that are better than those provided under the NREGA, or that they are simply out of the reach of the scheme. In other words, the implementing agencies have not been able to provide jobs at the requisite scale. The intensity of the demand for wage employment in both the states suggests that the second

factor appears to be more plausible, even though there may be some truth in the first as well. This is also a general observation of the field.

Table 2.1: Distribution of Sample Households (Overall of Bihar and Jharkhand)

Category	Beneficiary	Non-Beneficiary	Total
	No.		
	%	No. %	No. %
Religion			
Hindu	509 (83.86)	239 (81.57)	748 (83.11)
Muslim	66 (10.87)	419 (13.99)	107 (11.89)
Christian	4 (0.66)	2 (0.68)	6 (0.67)
Indigenous	28 (4.61)	11 (3.75)	39 (4.33)
Caste			
Upper Caste	34 (5.60)	21 (7.17)	55 (6.11)
OBC-I	109 (17.96)	72 (24.57)	181 (20.11)
OBC-II	61 (10.05)	94 (32.08)	155 (17.22)
SC	279 (45.96)	57 (19.45)	336 (37.33)
ST	124 (20.43)	49 (16.72)	173 (19.22)
Land Category			
Landless	338 (55.68)	106 (36.18)	444 (49.33)
Marginal	232 (38.22)	135 (46.08)	367 (40.78)
Small	34 (5.60)	35 (11.95)	69 (7.67)
Medium	3 (0.49)	12 (4.10)	15 (1.67)
Large	0 (0.00)	5 (1.71)	5 (0.56)
Occupation (HH)			
Self-employed in Agriculture	84 (13.84)	87 (29.69)	171 (19.00)
Self-employed in Non-agriculture (including business)	48 (7.91)	37 (12.63)	85 (9.44)
Casual Labour in Agriculture	243 (40.03)	37 (12.63)	280 (31.11)
Casual Labour in Non-agriculture	155 (25.54)	59 (20.14)	214 (23.78)
Regular Salaried	14 (2.31)	23 (7.85)	37 (4.11)
Others	63 (10.38)	50 (17.06)	113 (12.56)
Total	607	293	900

	(67)	(33)	(100)
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Note: 'Indigenous' means some tribals like Sarna, who insist on belonging to a separate religious category.

Selection of Households from Bihar

Beneficiary Households

Out of 540 households from Bihar, two-thirds were beneficiary and one-third non-beneficiary. The distribution of beneficiary households is as follows: SCs (60.83 per cent), OBC-I (24.44 per cent), Hindus (90.28 per cent), Muslims (11.78 per cent), the landless (75.56 per cent), marginal landholders (22.50 per cent), and casual labourers in agriculture (55.28 per cent) and in non-agriculture (14.44 per cent). The self-employed in agriculture (7.78 per cent) and in non-agriculture (8.06 per cent) also constitute parts of the beneficiary households.

Non-Beneficiary Households

The non-beneficiary households consisted mostly of OBC-II (40.56 per cent), OBC-I (33.33 per cent), the landless (45.56 per cent), marginal landholders (37.78 per cent), and the self-employed in agriculture (34.44 per cent). The presence of a significant number of landless (45.56 per cent) and marginal landholders (37.78 per cent), OBC-I (33.33 per cent), casual labourers in agriculture (17.78 per cent) and non-agriculture (12.22 per cent) in the non-beneficiary groups indicates that either they have alternative opportunities that are better than those of wage employment under the NREGA, or that they have not benefited so far from the delivery of the scheme. In fact, the intensity of the demand for wage employment is quite high among the non-beneficiary groups and, therefore, the inability of the implementing agencies to provide jobs on a large scale appears to be the likely reason.

Thus, the beneficiary households consisted mostly of SCs, OBC-I landless, marginal landholders and casual labourers in agriculture and non-agriculture, while the non-beneficiary households too included a significant number of the

landless and marginal landholders, OBC-I and casual labourers in agriculture and non-agriculture.

Table 2.2: Distribution of Sample Households from Bihar

Category	Beneficiary	Non-Beneficiary	Total
District	No. (%)	No. (%)	No. (%)
Gaya	60 (67)	30 (33)	90 (100)
Kishanganj	60 (67)	30 (33)	90 (100)
Nalanda	60 (67)	30 (33)	90 (100)
Rohtas	60 (67)	30 (33)	90 (100)
Samastipur	60 (67)	30 (33)	90 (100)
Supaul	60 (67)	30 (33)	90 (100)
Religion			
Hindu	325 (90.28)	148 (82.22)	473 (87.59)
Muslim	35 (9.72)	32 (17.78)	67 (12.41)
Caste			
Upper Caste	9 (2.50)	11 (6.11)	20 (3.70)
OBC-I	88 (24.44)	60 (33.33)	148 (27.41)
OBC-II	35 (9.72)	73 (40.56)	108 (20.00)
SC	219 (60.83)	35 (19.44)	254 (47.04)
ST	9 (2.50)	1 (0.56)	10 (1.85)
Land Category			
Landless	272 (75.56)	82 (45.56)	354 (65.56)
Marginal	81 (22.50)	68 (37.78)	149 (27.59)
Small	7 (1.94)	20 (11.11)	27 (5.00)
Medium	0 (0.00)	7 (3.89)	7 (1.30)

Large	0 (0.00)	3 (1.67)	3 (0.56)
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Contd table

Category	Beneficiary	Non-Beneficiary	Total
Occupation (HH)			
Self-employed in Agriculture	28 (7.78)	62 (34.44)	90 (16.67)
Self-employed in Non-agriculture (including business)	29 (8.06)	19 (10.56)	48 (8.89)
Casual Labour in Agriculture	199 (55.28)	32 (17.78)	231 (42.78)
Casual Labour in Non-agriculture	52 (14.44)	22 (12.22)	74 (13.70)
Regular Salaried	4 (1.11)	9 (5.00)	13 (2.41)
Others	48 (13.33)	36 (20.00)	84 (15.56)
Total	360 (67)	180 (33)	540 (100)

Selection of Households from Jharkhand

Beneficiary Households

Out of 360 selected households, two-thirds constituted beneficiary and one-third non-beneficiary households. The beneficiary households consisted of ST (46.56 per cent), SC (24.29 per cent), and OBC-II category (10.53 per cent). In terms of land category, beneficiary households consisted of marginal landholders (61.13 per cent), the landless (26.72 per cent), and small landholders (10.93 per cent). Occupation-wise, casual labourers in agriculture (41.70 per cent), self-employed in agriculture (22.67 per cent) and casual labourers in non-agriculture (17.81 per cent) formed the largest number among the beneficiary households.

Non-beneficiary Households

The non-beneficiary households too consisted of a substantial number of ST (42.48 per cent), SC (19.47 per cent) and OBC-II category (18.58 per cent).

The landless constituted 21.24 per cent, marginal landholders, 59.29 per cent and small farmers, 13.27 per cent of the beneficiaries. Occupation-wise, casual labourers in non-agriculture formed the largest number (32.74 per cent), followed by the self-employed in agriculture (22.12 per cent), and in non-agriculture (15.93 per cent).

Table 2.3: Distribution of Sample Households from Jharkhand

District	Beneficiary	Non-Beneficiary	Total
	No. (%)	No. (%)	No. (%)
East Singhbhum	87 (72.50)	33 (27.50)	120 (33.33)
Pakur	81 (67.50)	39 (32.50)	120 (33.33)
Palamau	79 (66.00)	41 (34.00)	120 (33.33)
Religion			
Hindu	184 (74.49)	919 (80.53)	275 (76.39)
Muslim	31 (12.55)	9 (7.96)	40 (11.11)
Christian	4 (1.62)	2 (1.77)	6 (1.67)
Indigenous	28 (11.34)	11 (9.73)	39 (10.83)
Caste			
Upper Caste	25 (10.12)	10 (8.85)	35 (9.72)
OBC-I	21 (8.50)	12 (10.62)	33 (9.17)
OBC-II	26 (10.53)	21 (18.58)	47 (13.06)
SC	60 (24.29)	22 (19.47)	82 (22.78)
ST	115 (46.56)	48 (42.48)	163 (45.28)
Land Category			
Landless	66 (26.72)	24 (21.24)	90 (25.00)
Marginal	151 (61.13)	67 (59.29)	218 (60.56)
Small	27 (10.93)	15 (13.27)	42 (11.67)
Medium	3 (1.21)	5 (4.42)	8 (2.22)

Large	0 (0.00)	2 (1.77)	2 (0.56)
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District	Beneficiary	Non-Beneficiary	Total
	No. (%)	No. (%)	No. (%)
Occupation (HH)			
Self-employed in Agriculture	56 (22.67)	25 (22.12)	81 (22.50)
Self-employed in Non-agriculture (including business)	19 (7.69)	18 (15.93)	37 (10.28)
Casual Labour in Agriculture	44 (17.81)	5 (4.42)	49 (13.61)
Casual Labour in Non-agriculture	103 (41.70)	37 (32.74)	140 (38.89)
Regular Salaried	10 (4.05)	14 (12.39)	24 (6.67)
Others	15 (6.07)	14 (12.39)	29 (8.06)
Total	247 (68)	113 (32)	360 (100)

Thus, while the SCs, the landless and casual labourers in agriculture constituted the largest number of beneficiary households in Bihar; the STs, marginal landholders rather than the landless and casual labourers in non-agriculture formed the largest beneficiary groups in Jharkhand. In a sense, this indicates that the demand for employment under the NREGA is socially more diverse in Jharkhand than in Bihar.

Demographic Characteristics of the Households

Overall for Bihar and Jharkhand

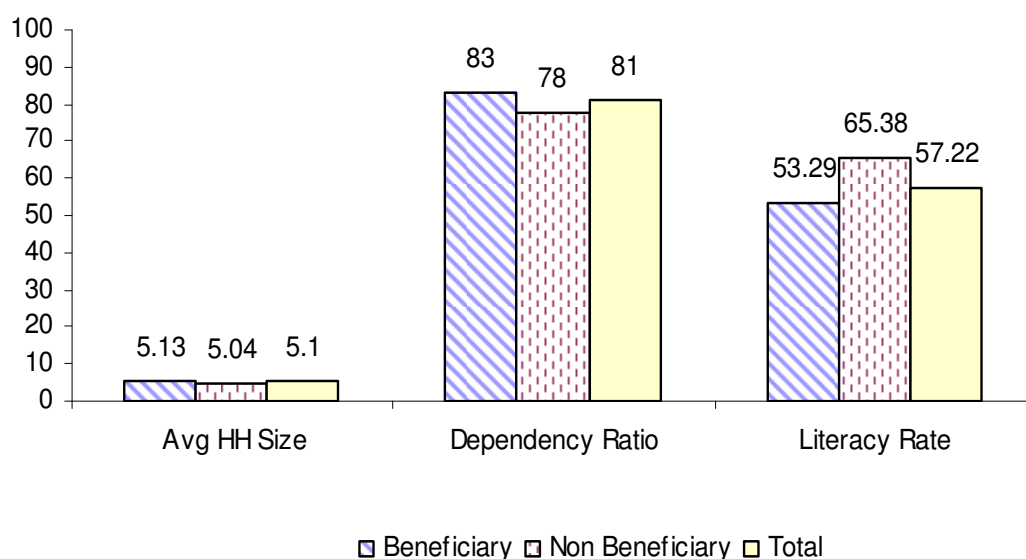
Demographic characteristics have been indicated through the average size of the household, dependency ratio and literacy rate of the population. The average size of the beneficiary households is 5.13, and of non-beneficiary households, 5.04. However, the average size of the Muslim, upper caste, small and medium landholders, and the self-employed in agriculture and non-agriculture beneficiary households is relatively large.

**Table 2.4: Demographic Characteristics of Households and Population
(Overall of Bihar and Jharkhand)**

	Beneficiary			Non Beneficiary			Total		
	Avg HH Size	Depen- dency	Lite- racy Rate (%)	Avg HH Size	Depen- dency	Literac y Rate (%)	Avg HH Size	Depen- dency	Lite- racy Rate (%)
Religion									
Hindu	5.05	0.83	51.39	5.15	0.77	66.70	5.08	0.81	56.40
Muslim	5.70	0.96	59.73	4.61	0.87	58.94	5.28	0.93	59.46
Christian	5.25	1.10	76.47	4.00	0.60	57.14	4.83	0.93	70.83
Indigenous	5.21	0.54	65.89	4.27	0.74	58.54	4.95	0.58	64.12
Caste									
Upper Caste	5.76	0.83	60.14	4.57	0.75	76.83	5.31	0.80	66.09
OBC-I	5.91	0.91	59.61	4.81	0.84	62.88	5.47	0.89	60.72
OBC-II	5.00	0.76	58.53	5.94	0.73	70.15	5.57	0.74	66.02
SC	4.77	0.84	44.36	4.65	0.85	56.80	4.75	0.84	46.39
ST	5.11	0.74	60.70	4.31	0.74	61.14	4.88	0.74	60.81
Land Category									
Landless	4.83	0.86	42.37	4.41	0.82	54.82	4.73	0.85	45.15
Marginal	5.37	0.84	64.10	5.02	0.77	65.02	5.24	0.81	64.42
Small	6.24	0.49	67.38	5.97	0.67	74.32	6.10	0.58	70.81
Medium	6.67	1.86	61.54	7.58	0.98	85.33	7.40	1.09	81.82
Large				6.20	0.72	96.55	6.20	0.72	96.55
Total	5.13	0.83	53.29	5.04	0.78	65.38	5.10	0.81	57.22

Figure 2.1

Characteristics of the Households-Overall



The dependency ratio of the population is 0.81, which is higher in the case of the beneficiary households (0.83) and lower in the case of the non-beneficiary households (0.78). The overall literacy rate is 57.22 per cent, which is 53.29 per cent in the case of the beneficiary and 65.38 per cent in the case of the non-beneficiary households. The high literacy rate of the non-beneficiary households indicates their better levels of economic and educational achievement. In terms of social and economic categories, the overall literacy rate is relatively high among the Christians, upper castes, medium and large landowners, the self-employed in agriculture, and the regular salaried households.

Table 2.5: Demographic Characteristics of Households of Bihar

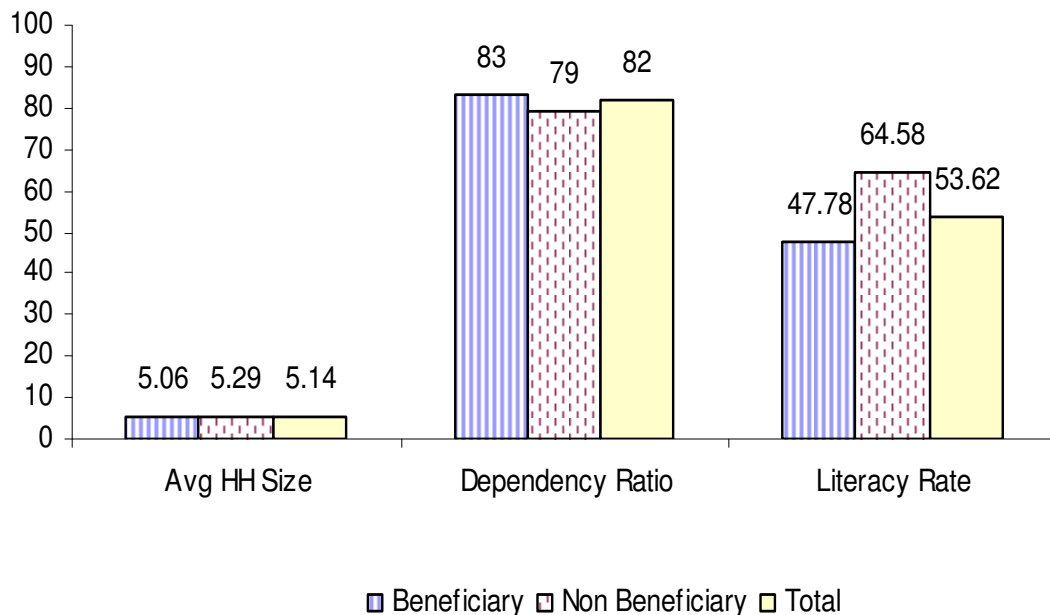
	Beneficiary			Non-Beneficiary			Total		
	Avg HH Size	Depen- dency Ratio	Literacy (%)	Avg HH Size	Depen- dency Ratio	Literacy (%)	Avg HH Size	Depen- dency Ratio	Literacy (%)
District									
Gaya	4.78	0.73	23.93	5.87	0.81	47.18	5.14	0.76	32.71
Kishanganj	5.07	1.01	52.16	4.47	0.91	55.77	4.87	0.98	53.27
Nalanda	4.95	0.73	51.08	5.10	0.89	63.79	5.00	0.78	55.33

Rohtas	5.45	0.76	66.30	6.07	0.72	87.27	5.66	0.74	74.20
Samastipur	4.92	0.81	48.39	4.43	0.55	59.46	4.76	0.72	51.81
Supaul	5.17	0.99	41.52	5.83	0.92	66.92	5.39	0.96	50.85
Religion									
Hindu	5.00	0.82	46.66	5.43	0.78	65.90	5.13	0.81	53.10
Muslim	5.57	0.93	57.05	4.69	0.90	57.50	5.15	0.92	57.25
Caste									
Upper Caste	6.11	0.57	57.14	5.00	0.67	76.09	5.50	0.62	67.05
OBC-I	5.89	0.93	56.37	4.82	0.80	62.16	5.45	0.88	58.41
OBC-II	5.43	0.76	55.06	5.93	0.79	68.78	5.77	0.78	64.62
SC	4.63	0.80	41.79	4.97	0.87	53.68	4.68	0.81	43.51
ST	4.78	1.15	40.00	2.00	0.00	50.00	4.50	1.05	40.63
Land Category									
Landless	4.74	0.83	40.97	4.49	0.81	53.45	4.68	0.83	43.76
Marginal	5.91	0.84	62.15	5.54	0.75	66.22	5.74	0.80	63.91
Small	7.29	0.76	76.74	6.55	0.70	75.42	6.74	0.72	75.78
Medium	-	-	-	8.29	1.15	84.09	8.29	1.15	84.09
Large	-	-	-	6.33	1.11	100.00	6.33	1.11	100.00
Total	5.06	0.83	47.78	5.29	0.79	64.58	5.14	0.82	53.62
Bihar (Rural population, 2001 Census)							5.99	0.97	43.92

Interestingly, both the states share almost similar demographic characteristics. For example, the average size of a household is 5.14 in Bihar and 5.04 in Jharkhand. The dependency ratio is 0.82 in Bihar and 0.80 in Jharkhand. The literacy rate is 53.62 per cent in Bihar and 62.60 per cent in Jharkhand.

Figure 2.2

Characteristics of the Households-Bihar



However, the demographic characteristics of the beneficiary and non-beneficiary households are a little different in both the states. For example, in Bihar, the average size of a beneficiary household is 5.06 and of a non-beneficiary household, 5.29. The dependency ratio of a beneficiary household is 0.83 and that of a non-beneficiary one is 0.79. The literacy rate of a beneficiary household is low, at only 47.78 per cent as against 64.58 per cent for the non-beneficiary household. The district, caste- and land category-wise characteristics of the beneficiary and non-beneficiary households of Bihar are given in Table 2.5.

Similarly, in Jharkhand, the average size of a beneficiary household is 5.23 and of a non-beneficiary one, 4.63. The dependency ratio is 0.82 in beneficiary and 0.76 in non-beneficiary households. The literacy rate is higher (66.82 per cent) in the non-beneficiary and lower in the beneficiary (60.88 per cent) households. The district-, caste- and land category-wise characteristics of the beneficiary and non-beneficiary households in Jharkhand are given in Table 2.6.

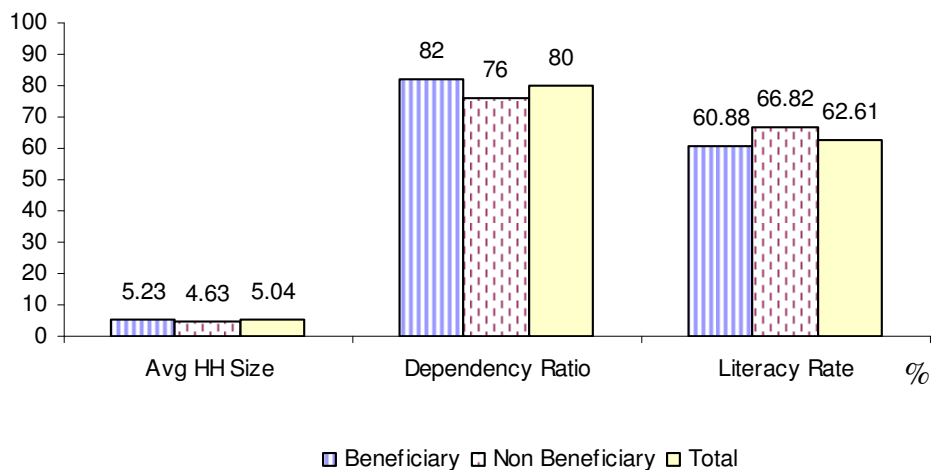
Table 2.6: Demographic Characteristics of Households of Jharkhand

	Beneficiary			Non-Beneficiary			Total		
	Avg HH Size	Depen- dency Ratio	Literacy Rate (%)	Avg HH Size	Depen- dency Ratio	Literacy Rate (%)	Avg HH Size	Depen- dency Ratio	Literacy Rate (%)
District									
East Singhbhum	4.67	0.63	63.14	5.18	0.64	73.03	4.81	0.63	66.14
Pakur	5.58	0.88	60.00	4.10	0.68	59.23	5.10	0.82	59.79
Palamau	5.48	0.97	59.48	4.68	0.94	67.12	5.21	0.96	61.76
Religion									
Hindu	5.13	0.83	59.35	4.71	0.76	68.19	4.99	0.81	62.12
Muslim	5.84	0.99	62.77	4.33	0.77	64.52	5.50	0.95	63.10
Christian	5.25	1.10	76.47	4.00	0.60	57.14	4.83	0.93	70.83
Indigenous	5.21	0.54	65.89	4.27	0.74	58.54	4.95	0.58	64.12
Caste									
Upper Caste	5.64	0.96	61.32	4.10	0.86	77.78	5.20	0.94	65.49
OBC-I	6.00	0.83	71.96	4.75	1.11	66.67	5.55	0.91	70.47
OBC-II	4.42	0.77	64.00	5.95	0.56	74.77	5.11	0.66	69.57
SC	5.30	0.99	52.59	4.14	0.82	62.86	4.99	0.95	54.83
ST	5.14	0.72	61.98	4.35	0.76	61.27	4.91	0.73	61.80

Land Category									
Landless	5.20	0.99	47.86	4.13	0.83	60.27	4.91	0.96	50.61
Marginal	5.08	0.83	65.30	4.49	0.79	63.56	4.90	0.82	64.81
Small	5.96	0.42	64.58	5.20	0.63	72.31	5.69	0.48	66.99
Medium	6.67	1.86	61.54	6.60	0.74	87.10	6.63	1.04	79.55
Large				6.00	0.33	91.67	6.00	0.33	91.67
Total	5.23	0.82	60.88	4.63	0.76	66.82	5.04	0.80	62.61
Jharkhand (Rural population, 2001 Census)							5.61	0.90	45.74

Figure 2.3:

Characteristics of the Households-Jharkhand



Work Participation Rate

Overall for Bihar and Jharkhand

The work participation rate (WPR) of the population is 55.25, which is 65.97 in the case of the beneficiary households, and 41.09 in the case of the non-beneficiary households. The WPR is relatively higher among the female than the male population. Interestingly, the WPRs of both the beneficiary and non-beneficiary households is higher among the female than the male population. It is a commonly observed social phenomenon in India that the female members among the landless, SCs, STs and the weaker sections are more

outgoing than their counterparts among the upper caste Hindus, Muslims and landholders.

Table 2.7: Difference in WPR of Beneficiary and Non-beneficiary (%)

	Beneficiary	Non-Beneficiary	Difference
(1)	(2)	(3)	(4)
Male	58.30	35.26	23.04
Female	71.45	58.27	13.18
Total	65.97	41.09	24.88

Note: Overall of Bihar and Jharkhand.

Moreover, the WPRs of the female beneficiaries is higher than that of their non-beneficiary counterparts. The higher WPR among the beneficiary households does not reflect their better conditions. In fact, the high WPR is also because of the low quality of employment, as low wage rate compels them to work more to earn a minimum livelihood.

WPR in Bihar

The WPR of the beneficiary households in Bihar is higher than that of the non-beneficiary households. Further, the WPRs of female beneficiaries is not only higher than that of the female non-beneficiaries but also higher than that of both the male beneficiaries and non-beneficiaries. The district, caste and land-category wise WPRs of the male and female beneficiaries and non-beneficiaries are shown in Table 2.8.

Table 2.8: Work Participation Rate* in Bihar (%)

Category	Male			Female			Persons		
	B	NB	Total	B	NB	Total	B	NB	Total
District									
Gaya	59.87	28.95	42.69	65.52	57.14	63.29	63.28	37.59	52.58
Kishanganj	52.87	39.75	44.89	75.85	52.78	69.89	65.93	42.72	55.15
Nalanda	59.38	34.76	45.41	71.43	52.70	66.78	66.41	39.44	54.94
Rohtas	59.36	39.39	48.33	79.24	52.94	71.30	70.45	43.54	58.60
Samastipur	64.94	38.70	49.22	74.76	67.12	72.76	70.56	45.54	59.13
Supaul	54.14	35.44	42.89	69.47	59.78	66.67	63.19	42.25	53.51
Caste									
Upper Caste	60.61	47.62	53.33	94.29	54.55	75.00	77.94	50.67	63.64
OBC-I	57.84	39.90	46.93	76.14	59.21	71.03	68.23	45.07	57.15
OBC-II	62.14	39.58	48.99	77.44	56.68	64.57	70.76	49.86	58.12

SC	58.44	33.10	44.04	69.19	54.26	67.58	64.80	35.57	53.72
ST	45.83	36.67	40.74	75.00	100.00	75.76	62.50	38.71	54.02
Land Category									
Landless	58.88	35.28	45.19	71.09	58.85	69.04	66.02	39.28	55.09
Marginal	56.59	38.95	46.29	76.33	53.37	67.98	67.79	43.96	56.30
Small	64.29	41.03	50.75	80.00	64.47	69.37	73.02	56.52	62.36
Medium					55.56	55.56		55.56	55.56
Large					33.33	33.33		33.33	33.33
Total	58.43	36.44	45.65	72.65	56.94	68.38	66.67	41.98	55.69
Overall	58.30	35.26	45.04	71.45	58.27	68.19	65.97	41.09	55.25

Note: * Main +Marginal; B= Beneficiary; NB=Non-beneficiary

WPR in Jharkhand

In Jharkhand, the WPR of the beneficiary households is almost double of that of their non-beneficiary counterparts. Moreover, the WPR of female beneficiaries is higher than not only that of the female non-beneficiaries, but also than that of both the male beneficiaries and non-beneficiaries. The differences in WPRs of the male and female beneficiaries and non-beneficiaries across districts, castes and land categories have been shown in Table 2.9.

Table 2.9: Work Participation Rate* in Jharkhand (%)

Category	Male			Female			Persons		
	B	NB	Total	B	NB	Total	B	NB	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
District									
East Singhbhum	67.59	29.89	46.61	66.46	69.66	67.15	66.91	39.72	56.05
Pakur	53.41	33.88	42.63	71.55	62.03	69.79	63.99	39.64	54.43
Palamau	54.22	36.20	43.56	71.43	51.55	66.75	64.26	39.72	53.48
Caste									
Upper Caste	53.16	35.42	43.43	73.83	72.22	73.60	65.05	41.23	56.00
OBC-I	50.00	35.63	42.04	73.68	51.85	68.85	63.64	39.47	53.76
OBC-II	69.35	30.26	47.83	67.39	68.33	67.76	68.18	47.06	58.28
SC	49.72	35.32	41.77	73.44	54.17	70.24	63.40	38.72	53.80
ST	63.91	32.32	45.40	66.67	59.82	65.31	65.56	38.03	54.10
Land Category									
Landless	47.34	34.32	40.09	71.76	56.25	69.35	61.56	38.03	52.45
Marginal	59.15	34.29	44.63	69.39	59.49	67.26	65.20	39.83	54.43
Small	76.67	27.55	51.06	67.16	70.27	67.84	70.98	39.26	59.05
Medium	53.85	30.00	43.48	76.47	62.50	69.70	66.67	50.00	58.93
Large					66.67	66.67		66.67	66.67
Total	58.12	33.52	44.17	69.84	60.75	67.92	65.02	39.69	54.62
Overall	58.30	35.26	45.04	71.45	58.27	68.19	65.97	41.09	55.25

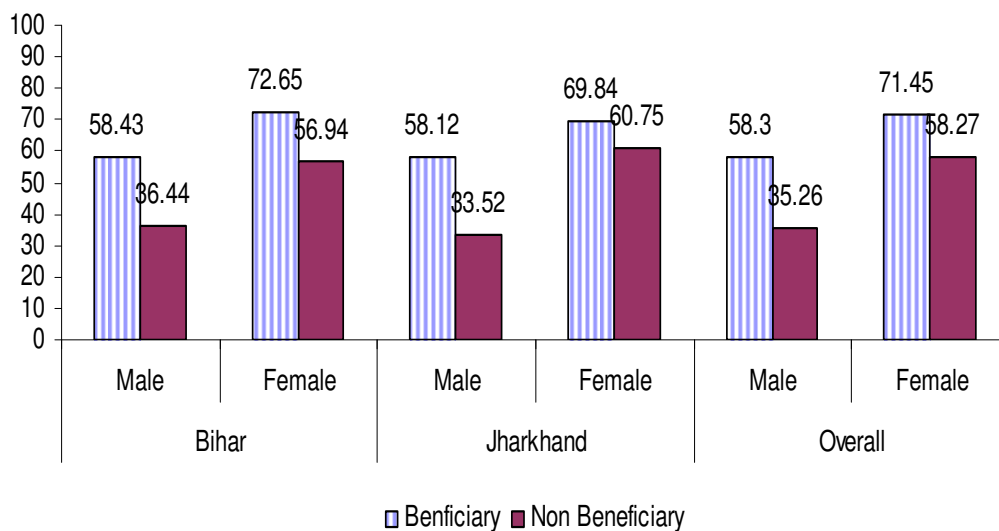
Note: * Main + Marginal; B= Beneficiary; NB=Non-beneficiary

Thus, the WPR of female beneficiaries is higher than not only that of the female non-beneficiaries but also than that of the male beneficiaries and non-beneficiaries in both the states.

The WPRs of the beneficiaries and non-beneficiaries in both Bihar and Jharkhand are shown in Figure 2.4.

Figure 2.4

Work Participation Rates of Male and Female



Land and Asset Base of Households

Land

Land continues to be an important source of livelihood for the rural population in both Bihar and Jharkhand. However, the average size of the

holding is generally small, and smaller in Bihar than in Jharkhand. Table 2.10 shows the average size of the landholdings of the beneficiary and non-beneficiary households in both the states.

The average size of the landholding of beneficiary households is 0.05 hectare in Bihar and 0.021 hectare in Jharkhand. In the case of the non-beneficiary households, it is 0.39 hectare in Bihar and 0.74 in Jharkhand. The trend of the landholding of the non-beneficiaries being relatively larger than that of the beneficiaries is seen across districts in both the states. However, the size of the landholding varies across districts and castes. For example, the average size of the holding of the beneficiary households is largest in Rohtas district, followed by Kishanganj, Supaul, Nalanda, Gaya and Samastipur. In Jharkhand, the average size of the landholding of the beneficiary households is largest in East Singhbhum, followed by Palamau and Pakur.

Table 2.10: District-wise Average Size of Landholding (in Hectare)

	<i>Bihar</i>	Beneficiary	Non-Beneficiary
District	Gaya	0.03	0.28
	Kishanganj	0.06	0.11
	Nalanda	0.04	0.14
	Rohtas	0.10	1.46
	Samastipur	0.01	0.02
	Supaul	0.05	0.34
	Total	0.05	0.39
	<i>Jharkhand</i>		
District	East Singhbhum	0.61	1.46
	Pakur	0.28	0.52
	Palamau	0.43	0.37
	Total	0.44	0.74
	Overall*	0.21	0.53

Note: Overall of Bihar and Jharkhand.

The landholding pattern of the beneficiary households across castes indicates that the upper castes and OBC-II category beneficiaries have the largest size of landholdings in Bihar, and most of the SC and ST beneficiaries are landless or near-landless. On the other hand, STs and OBC-II beneficiary households have the largest size of landholdings in Jharkhand.

Table 2.11: Caste-wise Average Size of Landholding (in Hectare)

Caste	Bihar	Beneficiary	Non-Beneficiary
	Upper Caste	0.14	0.14
OBC-I	0.09	0.09	0.14
OBC-II	0.13	0.13	0.63
SC	0.01	0.01	0.05
ST	0.00	0.00	0.00
Total	0.05	0.05	0.39
Jharkhand			
Upper Caste	0.29	0.29	0.52
OBC-I	0.32	0.32	0.19
OBC-II	0.46	0.46	1.50
SC	0.23	0.23	0.30
ST	0.61	0.61	0.79
Total	0.44	0.44	0.74
Overall	0.21	0.21	0.53

Assets

The overall asset base of the rural households is low in both the states and across the districts. Moreover, their share of the productive assets is only one-third to one-fourth of the total assets, which also indicates that the capacity of the household to earn through its own resources is limited. But more importantly, the asset base of the beneficiary household is lower than that of its non-beneficiary counterpart, as shown in Table 2.12.

Table 2.12: Average Asset Base of the Household (in Rs.)

District		Beneficiary				Non-Beneficiary			
		Animal	Productive	Others*	Total	Animal	Productive	Others	Total
	Bihar	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
District	Gaya	787	321	3501	4609	5945	4311	4070	14,326
	Kishanganj	1946	627	3217	5790	2558	569	6734	9861
	Nalanda	3210	304	4570	8084	6102	7294	5527	18,923
	Rohtas	4642	1451	7994	14,087	7610	14,383	40,407	62,400
	Samastipur	1259	605	2252	4116	6597	1649	18,325	26,571
	Supaul	5365	519	2326	8210	12,252	8785	19,744	40,781
	Total	2868	638	3977	7483	6844	6165	15,801	28,810
District	Jharkhand								
	East Singhbhum	8569	6083	17,381	32,033	12,197	51,259	44,224	1,07,680
	Pakur	4598	1474	5602	11,674	5968	1121	9532	16,621
	Palamau	8544	11,350	6026	25,920	5264	5825	5572	16,661
	Total	13,048	7459	16,794	37,301	23,438	30,061	53,504	1,07,003
	Overall**	7011	3413	9192	19,616	13,244	15,381	30,342	58,966

Note: * Others include financial investments, savings, household durables, etc.

** Overall of Bihar and Jharkhand

For example, the average asset base of the beneficiary household in Bihar is Rs.7,483, and that of the non-beneficiary household, Rs. 28,810. In Jharkhand, the average asset base of the beneficiary household is Rs. 37,301 and of the non-beneficiary one, Rs. 107,003. Thus, the difference in the asset base of the beneficiary and non-beneficiary households is much more striking in Bihar than in Jharkhand.

Apart from the difference in the assets base of the beneficiary and non-beneficiary households, there is also intra-community variation in the assets base within both the beneficiary and non-beneficiary households. For example, the assets base of the SC and ST households is much lower than that of the beneficiary and non-beneficiary households among the upper castes. It also indicates that even though a number of poor upper caste households have come for wage employment under the NREGA, their economic condition is relatively better off than that of the SC and ST households. The intra-community variation in the assets base of the beneficiary and non-beneficiary households of both the states is shown in Table 2.13.

Table 2.13: Caste-wise Average Asset Base of the Household (in Rs.)

Bihar	Beneficiary				Non-Beneficiary			
	Animal	Productive	Others *	Total	Animal	Productive	Others *	Total
Upper Caste	5723	1066	7703	14,492	3768	11,007	46,895	61,670
OBC-I	5025	939	6397	12,361	4164	1134	9560	14,858
OBC-II	4166	1651	7054	12,871	11,435	11,961	20,511	43,907
SC	1735	348	2469	4552	3026	1357	7290	11,673
ST	1447	378	1312	3137	0	0	2350	2350
Total	2868	638	3977	7483	6844	6165	15,801	28,810
Jharkhand								
Upper Caste	5545	5998	17,403	28,946	4490	7567	24,133	36,190
OBC-I	7348	3651	8328	19,327	2463	646	7380	10,489
OBC-II	10,755	4735	6184	21,674	14,214	75,349	1,49,445	2,39,008 **
SC	4126	2615	7598	14,339	5303	790	9962	16,055
ST	8460	9031	10,568	28,059	7531	6062	24,945	38,538
Total	7259	6256	9886	23,401	7532	17,470	43,228	68,230

Note: * Others include financial investments, savings, household durables, etc.

**There are a few households within the OBC-II category who have reported an abnormally high value of financial assets and durables. Apparently, these are outliers.

Housing and Other Amenities

Overall for Bihar and Jharkhand

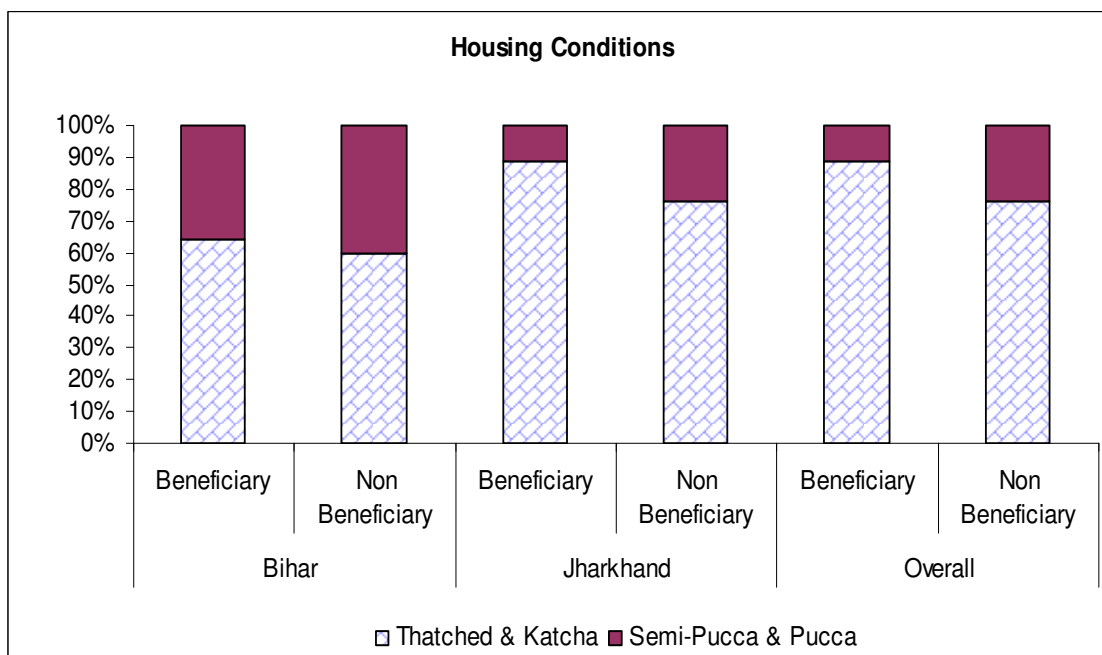
The housing conditions in both the states are poor. About 43.67 per cent of the households were living in *katcha* houses and another 27.44 per cent in thatched houses. Merely 11.22 per cent of the households were living in *pucca* and another 17.33 per cent in semi-*pucca* houses. However, a relatively large number of non-beneficiary than beneficiary households were living in *pucca* and semi-*pucca* houses. While only 10.05 per cent of the beneficiary households were living in *pucca* houses and 15.82 per cent in semi-*pucca* houses, 13.65 per cent of the non-beneficiary households were living in *pucca* and another 20.48 per cent in semi-*pucca* houses.

Table 2.14: District-wise Types of Houses (in %)

		Beneficiary		Non-Beneficiary	
		Thatched and <i>Katcha</i>	Semi- <i>pucca</i> and <i>pucca</i>	Thatched and <i>Katcha</i>	Semi- <i>pucca</i> and <i>Pucca</i>
	<i>Bihar</i>				
District	Gaya	83.33	16.67	63.33	36.66
	Kishanganj	46.67	53.33	66.67	33.34
	Nalanda	51.67	48.34	26.67	73.34
	Rohtas	46.67	53.33	23.33	76.67
	Samastipur	71.67	28.33	86.67	13.33
	Supaul	85.00	15.00	90.00	10.00
	Total	64.17	35.84	59.45	40.55
	<i>Jharkhand</i>				
District	East Singhbhum	94.26	5.75	72.73	27.27
	Pakur	86.42	13.58	74.36	25.64
	Palamau	84.81	15.19	80.49	19.52
	Total	88.65	11.34	76.11	23.89
	Overall	88.65	11.34	76.11	23.89

Note: * Overall of Bihar and Jharkhand

Figure 2.5: Housing Conditions



Overall= Overall of Bihar and Jharkhand

Access to *pucca* houses is available to 15.19 per cent of the households in Bihar and to merely 5.28 per cent of the households in Jharkhand. Also, it is available to a relatively larger number of non-beneficiary households than beneficiary households in both the states (see Annexures II.1a and II.1b).

Basic Amenities

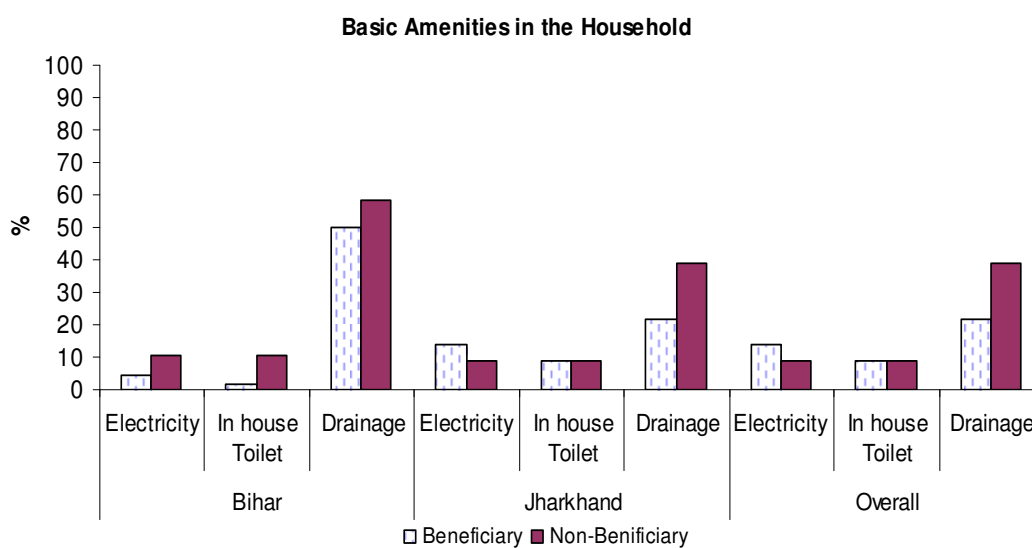
Access to basic amenities is found to be lacking in a large number of beneficiary and non-beneficiary households in both the states. For example, only 12.22 per cent of the houses have access to electricity connections, 8.89 per cent to toilet facilities, and 26.94 per cent to a drainage system. The absence of these facilities is seen across both the beneficiary and non-beneficiary groups. Of course, the condition of the non-beneficiary groups is marginally better than that of their beneficiary counterparts as shown in Table 2.15.

Table 2.15: Basic Amenities in the Household in % (Overall of Bihar and Jharkhand)

	Beneficiary	Non-Beneficiary	Total
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	Electri- city	In house Toilet	Drainage	Electri- city	In house Toilet	Drainage	Electri- city	In house Toilet	Drainage
Caste	(%)			(%)			(%)		
Upper Caste	21.67	5.00	56.67	12.05	15.66	61.45	16.08	11.19	59.44
OBC-I	6.67	1.25	42.92	21.28	8.51	53.19	9.06	2.44	44.60
OBC-II	2.86	20.00	25.71	9.09	13.64	50.00	5.26	17.54	35.09
SC	4.52	1.51	42.17	9.62	2.88	46.15	5.73	1.83	43.12
ST	8.67	7.65	35.20	9.48	7.76	53.45	8.97	7.69	41.99
Land Category									
Landless	15.07	4.11	31.51	6.82	13.64	47.73	11.97	7.69	37.61
Marginal	9.93	9.93	15.89	8.11	10.81	35.14	9.33	10.22	22.22
Small	29.63	14.81	40.74	11.11	27.78	77.78	22.22	20.00	55.56
Medium	-	9.68	74.19	5.97	20.90	65.67	4.08	17.35	68.37
Large	-		44.83	4.76	9.52	47.62	2.00	4.00	46.00
Total	13.77	8.91	21.46	8.85	8.85	38.94	12.22	8.89	26.94

Figure 2.6



While drainage facilities are available in 52.78 per cent of the houses in Bihar, they are available in only 26.94 per cent of the houses in Jharkhand. Electricity connections and in-house toilet facilities are available in a relatively larger number of houses in Jharkhand than in Bihar. However, while the access to basic amenities is almost the same among the beneficiary and non-beneficiary groups in Jharkhand, it is different among the two groups in Bihar. Here, the non-beneficiary groups have greater access to these amenities than the beneficiary groups (Annexure II.2a and II.2b).

Liabilities of the Households

Debt is among the major liabilities of most of the households. Out of the total households (overall for Bihar and Jharkhand), 26.89 per cent were indebted and indebtedness prevailed in both the beneficiary and non-beneficiary households. However, the ratio of indebtedness was slightly more in the beneficiary (27.68 per cent) than in the non-beneficiary households (25.26 per cent). It also varied across socio-economic groups within the beneficiary and non-beneficiary households. For example, the ratio of indebtedness was higher among the SCs, and OBC-II and OBC-I category households, for beneficiaries and non-beneficiaries alike. In terms of land category, the ratio of indebtedness was higher among the small and medium landholder beneficiaries and non-beneficiaries as well.

**Table 2.16: Percentage of Indebted Households
(Overall of Bihar and Jharkhand)**

	Beneficiary	Non-beneficiary	Total
	(%)	(%)	(%)
(1)	(2)	(3)	(4)
Caste			
Upper Caste	17.65	14.29	16.36
OBC-I	29.36	22.22	26.52
OBC-II	40.98	37.23	38.71
SC	30.82	24.56	29.76
ST	15.32	12.24	14.45
Land Category			
Landless	27.22	24.53	26.58
Marginal	28.02	25.19	26.98

Small	32.35	31.43	31.88
Medium	0.00	16.67	13.33
Large	n.a.	20.00	20.00
Total	27.68	25.26	26.89

A total of 32 per cent of the households, 33.89 per cent of the beneficiary and 28.33 per cent of the non-beneficiary households, were indebted in Bihar. But while about half of the beneficiary households were indebted in the Supaul and Samastipur districts, the ratio of indebted beneficiary households was only one-fourth in the other four districts. In terms of the caste and land category, the difference in the level of indebtedness among the beneficiaries was not very notable. Details of household-level indebtedness of the beneficiary and non-beneficiary households is given in Table 2.17.

Table 2.17: Indebted Households in Bihar (%)

	Beneficiary	Non-beneficiary	Total
<i>District</i>	(%)	(%)	(%)
(1)	(2)	(3)	(4)
Gaya	25.00	46.67	32.22
Kishanganj	28.33	6.67	21.11
Nalanda	23.33	26.67	24.44
Rohtas	21.67	20.00	21.11
Samastipur	50.00	40.00	46.67
Supaul	55.00	30.00	46.67
<i>Religion</i>			
Hindu	34.15	31.08	33.19
Muslim	31.43	15.63	23.88
<i>Caste</i>			
Upper Caste	33.33	9.09	20.00
OBC-I	32.95	21.67	28.38
OBC-II	42.86	39.73	40.74
SC	34.25	22.86	32.68
ST	0.00	0.00	0.00

Land Category			
Landless	31.25	25.61	29.94
Marginal	39.51	27.94	34.23
Small	71.43	40.00	48.15
Medium	--	28.57	28.57
Large	--	33.33	33.33
Occupation HH			
Self-employed in Agriculture	42.86	30.65	34.44
Self-employed in Non-agriculture (including business)	34.48	26.32	31.25
Casual Labour in Agriculture	32.66	34.38	32.90
Casual Labour in Non- agriculture	32.69	18.18	28.38
Regular Salaried	25.00	44.44	38.46
Others	35.42	22.22	29.76
Total	33.89	28.33	32.04

In Jharkhand, about one-fifth of the total households, including 18.62 per cent of the beneficiary and 20.35 per cent of the non-beneficiary households, were indebted. However, unlike Bihar, the ratio of indebtedness was relatively higher in the non-beneficiary than in the beneficiary categories. District-wise, the highest level of indebtedness was found in Palamau wherein 36.71 per cent of the beneficiary and 39.02 per cent of the non-beneficiary households were indebted. It was low in East Singhbhum and the lowest in Pakur district. In terms of the caste and religious categories, the highest level of indebtedness was seen among the OBC-II and Christian beneficiaries. Table 2.18 shows the district-, caste-, land- and occupation-wise indebtedness of the beneficiary and non-beneficiary households in Jharkhand.

Table 2.18: Indebted Households in Jharkhand

	Beneficiary	Non-beneficiary	Total
	(%)	(%)	(%)
(1)	(2)	(3)	(4)
District			
East Singhbhum	13.79	9.09	12.50
Pakur	6.17	10.26	7.50
Palamau	36.71	39.02	37.50
Religion			
Hindu	21.20	20.88	21.09
Muslim	9.68	33.33	15.00
Christian	25.00	0.00	16.67
Indigenous	10.71	9.09	10.26
Caste			

Upper Caste	12.00	20.00	14.29
OBC-I	14.29	25.00	18.18
OBC-II	38.46	28.57	34.04
SC	18.33	27.27	20.73
ST	16.52	12.50	15.34
Land Category			
Landless	10.61	20.83	13.33
Marginal	21.85	22.39	22.02
Small	22.22	20.00	21.43
Medium	0.00	0.00	0.00
Large		0.00	0.00
Occupation HH			
Self-employed in Agriculture	26.79	8.00	20.99
Self-employed in Non-agriculture (including business)	21.05	11.11	16.22
Casual Labour in Agriculture	9.09	40.00	12.24
Casual Labour in Non-agriculture	17.48	32.43	21.43
Regular Salaried	10.00	21.43	16.67
Others	26.67	14.29	20.69
Total	18.62	20.35	19.17

Thus, the ratio of indebted households was relatively larger in Bihar than in Jharkhand. While 33.89 per cent of the beneficiary and 28.33 per cent of the non-beneficiary households were indebted in Bihar, only 18.62 per cent of the beneficiary and 20.35 per cent of the non-beneficiary households were indebted in Jharkhand. Moreover, the level of indebtedness was almost uniform among the beneficiaries in Bihar, but it varied in Jharkhand. The variation across socio-economic groups within the non-beneficiary households was, however, more pronounced than that within the beneficiary households in both the states.

Amount and Sources of Indebtedness

Overall for Bihar and Jharkhand

The average amount of indebtedness was Rs. 2,998, and was Rs. 2,148 in the case of beneficiary and Rs. 4,759 in the case of non-beneficiary households. In terms of social category, the amount of indebtedness was almost equal among the beneficiaries of all the castes except the STs. However, land category-wise, the amount of indebtedness varied. Interestingly, the amount of indebtedness increased with the size of the landholding.

Table 2.19 shows the amount and sources of indebtedness of the beneficiary and non-beneficiary households across caste and land categories.

Table 2.19: Average Amount and Sources of Indebtedness of the Households*

	Beneficiary		Non-beneficiary		Total	
	Tradi- tional	Debt	Tradi- tional	Debt	Tradi- tional	Debt
	(%)	(in Rs.)	(%)	(in Rs.)	(%)	(in Rs.)
Caste						
Upper Caste	50.00	2,397	100.00	6,667	70.00	4,027
OBC-I	81.82	2,723	93.75	2,139	85.71	2,491
OBC-II	80.65	3,286	84.09	9,835	82.67	7,258
SC	90.72	2,225	86.67	2,088	90.18	2,202
ST	36.84	843	83.33	1,161	48.00	933
Land Category						
Landless	92.93	1,709	100.00	1,528	94.49	1,666
Marginal	68.06	2,542	87.50	5,193	75.00	3,517
Small	60.00	4,015	64.29	7,640	62.07	5,854
Medium	n.a.	n.a.	50.00	13,667	50.00	10,933
Large	n.a.	n.a.	100.00	20,000	100.00	20,000
Total	80.65	2,148	87.06	4,759	82.66	2,998

Note: * Overall of Bihar and Jharkhand.

A majority of the households were indebted to non-institutional (traditional) sources, which constituted 80.65 per cent of the indebtedness among the beneficiary and 87.06 per cent among the non-beneficiary households. In terms of caste and land categories, the dependence on traditional sources varied. For example, the dependence on traditional sources was highest among the SCs (91 per cent), OBC-I (82 per cent), and OBC-II category households (81 per cent). In terms of land category, the dependence on traditional sources was highest in the case of the landless (93 per cent), marginal landowning (68 per cent) and small landowning beneficiaries (60 per cent). In other words, the dependence on traditional sources declined with the increase in the size of the landholding. Thus, it appears that upper castes and landed households have better access to institutional sources of borrowing than the lower castes and landless households.

Indebtedness in Bihar

In Bihar, the average amount of indebtedness is larger among the non-beneficiary than the beneficiary households. For example, the average amount of indebtedness of a beneficiary household is Rs. 2,771, while that of a non-beneficiary household is Rs. 4,622. However, most of the indebted households borrow mostly from the traditional sources. The percentage of beneficiary households that borrowed from traditional sources was the highest in the districts of Supaul (100 per cent), followed by Samastipur (94 per cent), Gaya and Nalanda (87 per cent each), Kishanganj (82 per cent) and Rohtas (54 per cent). In terms of caste category, the SCs followed by the OBC-II and OBC-I beneficiary households, were dependent mostly on non-institutional sources. Land category-wise, the dependence on traditional sources was the highest among the landless and declined with an increase in the size of the landholding.

Table 2.20: Amount and Sources of Indebtedness in Bihar

	Beneficiary		Non beneficiary		Total	
	Traditional	Debt	Traditional	Debt	Traditional	Debt
	(%)	(in Rs.)	(%)	(in Rs.)	(%)	(in Rs.)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
District						
Gaya	87.50	723	81.25	5,150	84.38	2,199
Kishanganj	82.35	1,558	100.00	333	84.21	1,150
Nalanda	86.67	2,097	100.00	2,183	92.31	2,126
Rohtas	53.85	4,190	66.67	7,133	57.89	5,171
Samastipur	94.44	3,502	92.86	3,900	94.00	3,634
Supaul	100.00	4,558	77.78	9,033	95.45	6,050
Religion						
Hindu	89.26	2,861	84.91	5,480	87.93	3,680
Muslim	81.82	1,943	100.00	656	87.50	1,328
Caste						
Upper Caste	66.67	3,667	100.00	9,091	75.00	6,650
OBC-I	86.67	3,313	92.31	2,333	88.37	2,916
OBC-II	83.33	3,954	83.33	6,986	83.33	6,004
SC	91.36	2,442	87.50	2,343	91.01	2,428

ST	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Land Category						
Landless	93.41	1,899	100.00	1,634	94.69	1,838
Marginal	83.33	4,977	86.96	3,199	84.75	4,165
Small	40.00	11,143	60.00	10,825	53.33	10,907
Medium	n.a.	n.a.	50.00	23,429	50.00	23,429
Large	n.a.	n.a.	100.00	33,333	100.00	33,333
Occupation HH						
Self-employed in Agriculture	46.15	9,979	78.26	7,234	66.67	8,088
Self-employed in Non-agriculture (including business)	90.00	2,390	100.00	7,684	93.33	4,485
Casual Labour in Agriculture	94.29	2,006	100.00	2,469	95.06	2,070
Casual Labour in Non-agriculture	94.74	2,238	100.00	955	95.65	1,857
Regular Salaried	100.00	1,250	80.00	3,611	83.33	2,885
Others	89.47	2,677	80.00	2,917	86.21	2,780
Total	88.64	2,771	86.21	4,622	87.89	3,388

Table 2.21: Amount and Sources of Indebtedness in Jharkhand

Category	Beneficiary		Non-beneficiary		Total	
	Traditional (%)	Debt (Rs.)	Traditional (%)	Debt (Rs.)	Traditional (%)	Debt (Rs.)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
District						
East Singhbhum	71.43	822	75.00	11,727	72.22	3,821
Pakur	40.00	695	100.00	897	70.00	761
Palamau	60.00	2,261	88.89	3,424	69.81	2,658
Religion						
Hindu	68.09	1,316	86.96	5,938	74.29	2,846
Muslim	33.33	1,042	100.00	2,222	66.67	1,308
Christian	0.00	3,000	0	0	0.00	2,000
Indigenous	0.00	714	100.00	182	25.00	564
Caste						
Upper Caste	33.33	1,940	100.00	4,000	66.67	2,529
OBC-I	33.33	252	100.00	1,167	66.67	585
OBC-II	76.92	2,385	87.50	19,738	80.95	10,139
SC	87.50	1,435	85.71	1,682	86.96	1,501

ST	36.84	909	83.33	1,185	48.00	990
Land Category						
Landless	87.50	927	100.00	1,167	92.86	991
Marginal	52.78	1,237	88.24	7,216	64.15	3,075
Small	70.00	2,167	75.00	3,393	71.43	2,605
Medium	-	-	-	-	-	-
Large	-	-	-	-	-	-
Occupation HH						
Self-employed in Agriculture	62.50	1,784	100.00	1,320	66.67	1,641
Self-employed in Non-agriculture (including business)	60.00	1,737	66.67	21,333	62.50	11,270
Casual Labour in Agriculture	60.00	727	100.00	3,200	75.00	980
Casual Labour in Non-agriculture	55.00	1,089	83.33	1,876	65.63	1,297
Regular Salaried	0.00	1,000	100.00	3,571	83.33	2,500
Others	85.71	1,287	100.00	714	88.89	1,010
Total	61.11	1,241	88.89	4,977	70.37	2,413

Indebtedness in Jharkhand

Similarly, in Jharkhand, the average amount of debt of a beneficiary household was Rs. 1,241 and that of a non-beneficiary household, Rs. 4,977. As in Bihar, access to institutional sources was limited to a large number of beneficiary and even non-beneficiary households. However, dependence on the traditional sources varied across district, caste and land categories. For example, the dependence on traditional sources was highest in East Singhbhum (71 per cent) and Palamau (60 per cent), and the lowest in Pakur (40 per cent). What is remarkable about Pakur is that the NREGA wages here are paid through the bank and post office accounts only. This is probably one of the reasons why only 40 per cent of the beneficiary households are dependent on traditional sources in the district as against a 100 per cent dependence of the non-beneficiary households on traditional sources, as

access to bank also increases the chance to get access to credit from the institutional sources.

Thus, in both the states, non-institutional (traditional) sources continue to be the main sources of loans for both the beneficiary and non-beneficiary households. For example, traditional sources accounted for 87.89 per cent of the cases of indebtedness in Bihar and for 70.37 per cent in Jharkhand. However, in the case of Jharkhand, a relatively larger number of non-beneficiary households were indebted to the traditional sources than was the case in the beneficiary households. The traditional sources constituted 88.64 per cent of the indebtedness of beneficiary and 86.21 per cent of that of the non-beneficiary households.

Migration

Out of the total households, 20.8 per cent reported migration, including 16.2 per cent for the migration of only one member and 4.6 per cent for the migration of more than one member. The incidence of migration is higher among the non-beneficiary than the beneficiary households. Even the migration of more than one member is higher among the non-beneficiary than the beneficiary households. Another important occurrence is the migration of female members from the households, which, however, is not very high and is almost uniform across the beneficiary and non-beneficiary households.

The relatively low ratio of migration from the beneficiary households is because of two reasons. One, most of them are basically wage-earners, and sell their physical labour to earn wages. On the other hand, migrants from the non-beneficiary households belong to different categories of workers, with some of them being semi-skilled workers like masons, carpenters, etc. Two, the willingness of the beneficiary households to work under the NREGA for wage employment and the availability of jobs for some of them convince them to refrain from migrating and stay back to work in their home states.

Table 2.22: Migration from the Households (Overall of Bihar and Jharkhand)

	% of	% of HHs	Total	% of HHs	% of HHs	Total	% of HHs	% of HHs	Total
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	HHS with at least One Migrant	with More Than One Migrant		with at least One Migrant	with More Than One Migrant		with at least One Migrant	with More Than One Migrant	
Caste									
Upper Caste	5.9	5.9	11.8	28.6	4.8	33.3	14.5	5.5	20.0
OBC-I	26.6	5.5	32.1	26.4	8.3	34.7	26.5	6.6	33.1
OBC-II	9.8	9.8	19.7	10.6	7.4	18.1	10.3	8.4	18.7
SC	17.6	2.9	20.4	24.6	3.5	28.1	18.8	3.0	21.7
ST	3.2	2.4	5.6	14.3	0.0	14.3	6.4	1.7	8.1
Occupation of (HH)									
Self-employed in Agriculture	9.5	1.2	10.7	9.2	1.1	10.3	9.4	1.2	10.5
Self-employed in Non-agriculture	14.6	0.0	14.6	5.4	0.0	5.4	10.6	0.0	10.6
Casual Labour in Agriculture	9.9	2.5	12.3	16.2	0.0	16.2	10.7	2.1	12.9
Casual Labour in Non-agriculture	5.8	3.9	9.7	15.3	5.1	20.3	8.4	4.2	12.6
Regular Salaried	28.6	14.3	42.9	17.4	4.3	21.7	21.6	8.1	29.7
Others	60.3	15.9	76.2	54.0	22.0	76.0	57.5	18.6	76.1
Land Category									
Landless	16.0	3.3	19.2	26.4	4.7	31.1	18.5	3.6	22.1
Marginal	13.8	4.7	18.5	17.8	5.2	23.0	15.3	4.9	20.2
Small	11.8	8.8	20.6	11.4	8.6	20.0	11.6	8.7	20.3
Medium	0.0	0.0	0.0	0.0	8.3	8.3	0.0	6.7	6.7
Large	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	14.8	4.1	18.9	19.1	5.5	24.6	16.2	4.6	20.8

Table 2.22 shows the caste-, occupation- and land-wise trends in migration (overall for Bihar and Jharkhand). Caste-wise, the ratio of the migrant households was the highest in the OBC-I and SC beneficiary households, and in the OBC-I, upper caste, and SC households among the non-beneficiary households. In terms of the land category, the ratio of migrant households was the highest among the landless, marginal and small landholders from both the beneficiary and non-beneficiary households alike.

Migration from Bihar

Out of the total households, 27.8 per cent reported migration, with 21.7 per cent sending only one member and 6.1 per cent sending more than one

migrant. The incidence of migration was relatively higher among the non-beneficiary than the beneficiary households.

District-wise, the ratio of migrant households was the highest in Supaul district, followed by Samastipur and Gaya districts. The incidence of migration was reportedly higher among Muslim than the Hindu households, and also high among the upper castes and OBC-I category persons, and among salaried households and casual labourer in non-agriculture. Interestingly, migration is seen to decline with an increase in the size of the landholdings. The trends in migration across district, caste, land and occupation are given in Table 2.23.

As compared to Bihar, the ratio of migrant households was relatively lower in Jharkhand, wherein only 12.4 per cent of the households reported migration. But like in Bihar, the ratio of migrant households in Jharkhand too was relatively higher among the non-beneficiary than the beneficiary households. District-wise, the incidence of migration is higher from the backward districts of Pakur and Palamau, than from East Singhbhum, wherein the industrial city of Jamshedpur is located. In terms of castes, the highest ratio of migrant households belonged to the OBC-I and ST categories. In terms of land category, the ratio of migrant households was highest among the landless, nearly landless and small farmers. Table 2.24 shows the trend in migration across district, caste, land and occupation.

Table 2.23: Trend in Migration among Socio-economic Groups (Bihar)

	Beneficiary			Non-Beneficiary			Total		
	% of HHs with at least One Migrant	% of HHs with More Than One Migrant	Total	% of HHs with at least One Migrant	% of HHs with More Than One Migrant	Total	% of HHs with at least One Migrant	% of HHs with More Than One Migrant	Total
District									
Gaya	23.3	3.3	26.7	20.0	6.7	26.7	22.2	4.4	26.7
Kishanganj	13.3	3.3	16.7	26.7	3.3	30.0	17.8	3.3	21.1
Nalanda	15.0	1.7	16.7	23.3	6.7	30.0	17.8	3.3	21.1
Rohtas	6.7	3.3	10.0	6.7	16.7	23.3	6.7	7.8	14.4
Samastipur	20.0	8.3	28.3	16.7	6.7	23.3	18.9	7.8	26.7
Supaul	45.0	10.0	55.0	50.0	10.0	60.0	46.7	10.0	56.7
Caste									

Upper Caste	11.1	11.1	22.2	54.5	9.1	63.6	35.0	10.0	45.0
OBC-I	25.0	5.7	30.7	26.7	8.3	35.0	25.7	6.8	32.4
OBC-II	11.4	14.3	25.7	12.3	9.6	21.9	12.0	11.1	23.1
SC	21.5	3.2	24.7	34.3	5.7	40.0	23.2	3.5	26.8
ST	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Occupation (HH)									
Self-employed in Agriculture	25.0	0.0	25.0	11.3	1.6	12.9	15.6	1.1	16.7
Self-employed in Non-agriculture	20.7	0.0	20.7	5.3	0.0	5.3	14.6	0.0	14.6
Casual Labour in Agriculture	11.6	3.0	14.6	18.8	0.0	18.8	12.6	2.6	15.2
Casual Labour in Non-agriculture	11.5	7.7	19.2	27.3	13.6	40.9	16.2	9.5	25.7
Regular Salaried	50.0	25.0	75.0	33.3	11.1	44.4	38.5	15.4	53.8
Others	62.5	14.6	77.1	55.6	27.8	83.3	59.5	20.2	79.8
Land (Category)									
Landless	19.1	4.0	23.2	30.5	6.1	36.6	21.8	4.5	26.3
Marginal	27.2	7.4	34.6	22.1	8.8	30.9	24.8	8.1	32.9
Small	0.0	14.3	14.3	15.0	15.0	30.0	11.1	14.8	25.9
Medium	0.0	0.0	0.0	0.0	14.3	14.3	0.0	14.3	14.3
Large	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	20.6	5.0	25.6	23.9	8.3	32.2	21.7	6.1	27.8

Table 2.24: Trend in Migration among Socio-economic Groups (Jharkhand)

	Beneficiary			Non-Beneficiary			Total		
	% of HHs with One Migrant	% of HHs with More Than One Migrant	Total	% of HHs with One Migrant	% of HHs with More Than One Migrant	Total	% of HHs with at least One Migrant	% of HHs with More Than One Migrant	Total
District									
East Singhbhum	4.6	4.6	9.2	3.0	0.0	3.0	3.0	0.0	3.0
Pakur	7.4	1.2	8.6	15.4	2.6	17.9	15.4	2.6	17.9
Palamau	7.6	2.5	10.1	14.6	0.0	14.6	14.6	0.0	14.6
Caste									
Upper Caste	4.0	4.0	8.0	0.0	0.0	0.0	0.0	0.0	0.0
OBC-I	33.3	4.8	38.1	25.0	8.3	33.3	25.0	8.3	33.3
OBC-II	7.7	3.8	11.5	4.8	0.0	4.8	4.8	0.0	4.8

SC	3.3	1.7	5.0	9.1	0.0	9.1	9.1	0.0	9.1
ST	3.5	2.6	6.1	14.6	0.0	14.6	14.6	0.0	14.6
Occupation									
Self-employed in Agriculture	1.8	1.8	3.6	4.0	0.0	4.0	2.5	1.2	3.7
Self-employed in Non-agriculture	5.3	0.0	5.3	5.6	0.0	5.6	5.4	0.0	5.4
Casual Labour in Agriculture	2.3	0.0	2.3	0.0	0.0	0.0	2.0	0.0	2.0
Casual Labour in Non-agriculture	2.9	1.9	4.9	8.1	0.0	8.1	4.3	1.4	5.7
Regular Salaried	20.0	10.0	30.0	7.1	0.0	7.1	12.5	4.2	16.7
Others	53.3	20.0	73.3	50.0	7.1	57.1	51.7	13.8	65.5
Land Category									
Landless	3.0	0.0	3.0	12.5	0.0	12.5	12.5	0.0	12.5
Marginal	6.6	3.3	9.9	13.4	1.5	14.9	13.4	1.5	14.9
Small	14.8	7.4	22.2	6.7	0.0	6.7	6.7	0.0	6.7
Medium	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Large	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	6.5	2.8	9.3	11.5	0.9	12.4	11.5	0.9	12.4

Nature of Migrations: Place, Duration and Occupation

Out-of-the-state migration dominates over within-the-state migration. Out of the total migrant households (overall for Bihar and Jharkhand), 95.5 per cent reported out-of-state and 4.5 per cent within-the-state migration. In terms of duration, 31.8 per cent migrants migrated for 9-12 months, 27.3 per cent for up to 3 months, 22.7 per cent for 6-9 months, and 18.2 per cent for 3-6 months. About 63 per cent of the migrants work in factories, 9.1 per cent each in construction and daily wage works, and 4.5 per cent each in public (road construction) and household work.

Table 2.25: Nature of Migration (Overall of Bihar and Jharkhand)

		Beneficiary	Non-Beneficiary	Total
		(%)	(%)	(%)
Place	Within block	1.4	2.2	1.7
	Out of block and within district	1.4	5.4	3.0
	Out of district and within state	3.5	7.6	5.1
	Out of state	92.3	82.6	88.5
	Out of country	1.4	2.2	1.7
Duration	Up to 3 months	31.0	23.9	28.2
	3-6	44.4	31.5	39.3
	6-9	15.5	28.3	20.5

	9-12	9.2	16.3	12.0
Occupation	Agricultural work	17.6	7.6	13.7
	Construction work	26.8	19.6	23.9
	Factory work	16.9	33.7	23.5
	Household work	0.7	2.2	1.3
	Public work	2.8	0.0	1.7
	Daily wage	25.4	27.2	26.1
	Other	9.9	9.8	9.8

Bihar

Migration from Bihar is predominantly out-of-state as about 90 per cent of the migrants go out of the state and only 5 per cent migrate within the state. About 30 per cent of the migrants migrate for up to 3 months, 40.7 per cent for up to 3-6 months, and only 11 per cent for the entire year. About 26.5 per cent of the migrants work as daily workers, 25 per cent as factory workers, 22.2 per cent as construction workers, 17 per cent as agricultural workers, and the rest in other sectors. The district-wise trend in migration is given in Table 2.26.

Table 2.26: Nature of Migration from Bihar (%)

		Beneficiary	Non-Beneficiary	Total
Place	Within block	1.8	1.3	1.6
	Out of block and within district	0.9	2.6	1.6
	Out of district and within state	4.5	5.2	4.8
	Out of state	91.1	88.3	89.9
	Out of country	1.8	2.6	2.1
Duration	Up to 3 months	33.9	24.7	30.2
	3-6	47.3	31.2	40.7
	6-9	11.6	27.3	18.0
	9-12	7.1	16.9	11.1
Occupation	Agricultural work	22.3	9.1	16.9
	Construction work	24.1	19.5	22.2
	Factory work	17.9	35.1	24.9

	Household work	0.9	1.3	1.1
	Public work	1.8	0.0	1.1
	Daily wage	25.0	28.6	26.5
	Other	5.6	6.5	7.4

Jharkhand

Out-of-the-state and half-yearly migration dominates the nature of migration in the state. About 82 per cent of the migrants go outside the state, 9 per cent within the district, and 7 per cent out of district but within the state. One-third of the migrants migrated for 3-6 months, 31 per cent for 6-9 months, 20 per cent for up to 3 months, and only 15.6 per cent throughout the year. The main occupations at the destinations of the migrant workers are construction work, daily wage and factory work. Table 2.27 shows the nature of migration from Jharkhand.

Table 2.27: Nature of Migration from Jharkhand (%)

		Beneficiary	Non-Beneficiary	Total
Place	Within block	0.0	6.7	2.2
	Out of block and within district	3.3	20.0	8.9
	Out of district and within state	0.0	20.0	6.7
	Out of state	96.7	53.3	82.2
	Out of country	0.0	0.0	0.0
Duration	Up to 3 months	20.0	20.0	20.0
	3-6	33.3	33.3	33.3
	6-9	30.0	33.3	31.1
	9-12	16.7	13.3	15.6
Occupation	Agricultural work	0.0	0.0	0.0
	Construction work	36.7	20.0	31.1
	Factory work	13.3	26.7	17.8
	Household work	0.0	6.7	2.2

	Public work	6.7	0.0	4.4
	Daily wage	26.7	20.0	24.4
	Other	16.7	26.7	20.0

Wages Earned by Migrant Workers at Destination

The average daily earning of a migrant worker at the destination is Rs. 99 only. He/she earns the highest in public work programmes and the lowest in casual daily work. Nevertheless, the variation across occupations is not very notable, except in the case of public work. The occupation-wise wages earned by the migrant workers at the destination are given in Table 2.28.

Table 2.28: Occupation-wise Average Daily Wage of a Migrant Worker at Destination (in Rs.)

	Bihar	Jharkhand	Overall
Agricultural work	99	n.a.*	99
Construction work	99	96	98
Factory work	98	100	98
Household work	100	58	86
Public work	150	120	135
Daily wage	96	108	98
Other	105	100	103
Total	99	101	99

* Incidentally, nobody from the sample household (Jharkhand) was a migrant agriculture worker.

Annexure II.1a: Housing Conditions of the Household in Bihar (%)

	Beneficiary				Non-Beneficiary				Total			
	Thatched	Katcha	Semi Pucca	Pucca	Thatched	Katcha	Semi Pucca	Pucca	Thatched	Katcha	Semi Pucca	Pucca
District	(%)				(%)				(%)			
Gaya	58.33	25.00	11.67	5.00	30.00	33.33	23.33	13.33	48.89	27.78	15.56	7.78
Kishanganj	26.67	20.00	28.33	25.00	50.00	16.67	26.67	6.67	34.44	18.89	27.78	18.89
Nalanda	11.67	40.00	26.67	21.67	10.00	16.67	56.67	16.67	11.11	32.22	36.67	20.00
Rohtas	5.00	41.67	33.33	20.00	0.00	23.33	20.00	56.67	3.33	35.56	28.89	32.22
Samastipur	60.00	11.67	18.33	10.00	26.67	60.00	3.33	10.00	48.89	27.78	13.33	10.00
Supaul	81.67	3.33	11.67	3.33	66.67	23.33	10.00	0.00	76.67	10.00	11.11	2.22
Caste												
Upper Caste	22.22	33.33	44.44	0.00	63.64	9.09	0.00	27.27	45.00	20.00	20.00	15.00
OBC-I	45.45	31.82	13.64	9.09	38.33	30.00	21.67	10.00	42.57	31.08	16.89	9.46
OBC-II	37.14	14.29	28.57	20.00	19.18	28.77	28.77	23.29	25.00	24.07	28.70	22.22
SC	39.73	22.37	23.29	14.61	28.57	34.29	22.86	14.29	38.19	24.02	23.23	14.57
ST	44.44	0.00	11.11	44.44	100.00	0.00	0.00	0.00	50.00	0.00	10.00	40.00
	Land Category											
Landless	41.91	24.63	20.59	12.87	42.68	32.93	17.07	7.32	42.09	26.55	19.77	11.58
Marginal	39.51	20.99	24.69	14.81	23.53	27.94	29.41	19.12	32.21	24.16	26.85	16.78
Small	0.00	14.29	28.57	57.14	20.00	25.00	30.00	25.00	14.81	22.22	29.63	33.33
Medium	n.a.	n.a.	n.a.	n.a.	0.00	14.29	28.57	57.14	0.00	14.29	28.57	57.14
Large	n.a.	n.a.	n.a.	n.a.	0.00	0.00	0.00	100.00	0.00	0.00	0.00	100.00
Total	40.56	23.61	21.67	14.17	30.56	28.89	23.33	17.22	37.22	25.37	22.22	15.19

Annexure II.1b: Housing Condition of the Households in Jharkhand (%)

District	Beneficiary					Non-Beneficiary					Total				
	Thatched	Katcha	Semi-pucca	Pucca	Others	Thatched	Katcha	Semi-pucca	Pucca	Others	Thatched	Katcha	Semi Pucca	Pucca	Others
	(%)					(%)					(%)				
East															
Singhbhum	28.74	62.07	3.45	2.30	3.45	9.09	63.64	18.18	9.09	0.00	23.33	62.50	7.50	4.17	2.50
Pakur	9.88	76.54	9.88	3.70	0.00	10.26	64.10	23.08	2.56	0.00	10.00	72.50	14.17	3.33	0.00
Palamau	3.80	81.01	8.86	6.33	0.00	7.32	73.17	7.32	12.20	0.00	5.00	78.33	8.33	8.33	0.00
Caste															
Upper Caste	4.00	56.00	28.00	12.00	0.00	0.00	30.00	30.00	40.00	0.00	2.86	48.57	28.57	20.00	0.00
OBC-I	0.00	100.00	0.00	0.00	0.00	8.33	83.33	8.33	0.00	0.00	3.03	93.94	3.03	0.00	0.00
OBC-II	3.85	84.62	7.69	0.00	3.85	4.76	57.14	14.29	23.81	0.00	4.26	72.34	10.64	10.64	2.13
SC	5.00	73.33	11.67	10.00	0.00	13.64	77.27	9.09	0.00	0.00	7.32	74.39	10.98	7.32	0.00
ST	26.96	68.70	1.74	0.87	1.74	10.42	70.83	18.75	0.00	0.00	22.09	69.33	6.75	0.61	1.23
Landless	13.64	65.15	16.67	4.55	0.00	4.17	62.50	33.33	0.00	0.00	11.11	64.44	21.11	3.33	0.00
Marginal	14.57	78.81	2.65	2.65	1.32	13.43	71.64	7.46	7.46	0.00	14.22	76.61	4.13	4.13	0.92
Small	18.52	59.26	7.41	11.11	3.70	0.00	60.00	26.67	13.33	0.00	11.90	59.52	14.29	11.90	2.38
Medium	0.00	66.67	33.33	0.00	0.00	0.00	40.00	20.00	40.00	0.00	0.00	50.00	25.00	25.00	0.00
Large	n.a.	n.a.	n.a.	n.a.	n.a.	0.00	100.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00
Total	14.57	72.87	7.29	4.05	1.21	8.85	67.26	15.93	7.96	0.00	12.78	71.11	10.00	5.28	0.83

Annexure II.2a: Basic Amenities in the Household in Bihar (%)

<i>District</i>	Beneficiary			Non-Beneficiary			Total		
	Electricity	In-house Toilet	Drainage	Electricity	In-house Toilet	Drainage	Electricity	In-house Toilet	Drainage
	(%)			(%)			(%)		
Gaya	13.33	1.67	41.67	23.33	0.00	53.33	16.67	1.11	45.56
Kishanganj	0.00	1.67	35.00	3.33	0.00	30.00	1.11	1.11	33.33
Nalanda	5.00	5.00	51.67	20.00	6.67	73.33	10.00	5.56	58.89
Rohtas	1.67	3.33	83.33	0.00	40.00	73.33	1.11	15.56	80.00
Samastipur	3.33	0.00	41.67	16.67	10.00	46.67	7.78	3.33	43.33
Supaul	1.67	0.00	46.67	0.00	6.67	73.33	1.11	2.22	55.56
Religion									
Hindu	4.62	1.85	51.69	12.16	12.84	65.54	6.98	5.29	56.03
Muslim	0.00	2.86	34.29	3.13	0.00	25.00	1.49	1.49	29.85
Caste									
Upper Caste	0.00	11.11	77.78	0.00	18.18	36.36	0.00	15.00	55.00
OBC-I	2.27	2.27	51.14	6.67	5.00	55.00	4.05	3.38	52.70
OBC-II	2.86	0.00	71.43	8.22	13.70	61.64	6.48	9.26	64.81
SC	5.48	1.37	45.21	25.71	11.43	65.71	8.27	2.76	48.03
ST	0.00	11.11	44.44	0.00	0.00	0.00	0.00	10.00	40.00
Land Category									
Landless	4.78	1.10	46.69	12.20	3.66	50.00	6.50	1.69	47.46
Marginal	2.47	4.94	58.02	11.76	7.35	64.71	6.71	6.04	61.07
Small	0.00	0.00	85.71	5.00	20.00	55.00	3.70	14.81	62.96
Medium				0.00	57.14	85.71	0.00	57.14	85.71
Large				0.00	100.00	100.00	0.00	100.00	100.00
Occupation HH									
Self-employed in Agriculture	0.00	10.71	78.57	6.45	20.97	69.35	4.44	17.78	72.22
Self-employed in Non-agriculture (including business)	0.00	0.00	44.83	5.26	5.26	42.11	2.08	2.08	43.75
Casual Labour in Agriculture	4.52	1.51	44.22	12.50	3.13	53.13	5.63	1.73	45.45
Casual Labour in Non-agriculture	7.69	0.00	57.69	13.64	9.09	59.09	9.46	2.70	58.11
Regular Salaried	0.00	0.00	50.00	22.22	11.11	77.78	15.38	7.69	69.23
Others	4.17	2.08	52.08	13.89	2.78	47.22	8.33	2.38	50.00
Total	4.17	1.94	50.00	10.56	10.56	58.33	6.30	4.81	52.78

Annexure II.2b: Basic Amenities in the Households in Jharkhand (%)

District	Beneficiary			Non-Beneficiary			Total		
	Electricity	In house Toilet	Drainage	Electricity	In house Toilet	Drainage	Electricity	In house Toilet	Drainage
	(%)			(%)			(%)		
East Singhbhum	14.94	19.54	14.94	12.12	21.21	39.39	14.17	20.00	21.67
Pakur	18.52	3.70	29.63	10.26	2.56	64.10	15.83	3.33	40.83
Palamau	7.59	2.53	20.25	4.88	4.88	14.63	6.67	3.33	18.33
Religion									
Hindu	3.80	7.07	18.48	5.49	6.59	40.66	4.36	6.91	25.82
Muslim	48.39	3.23	32.26	33.33	11.11	33.33	45.00	5.00	32.50
Christian	0.00	0.00	25.00	0.00	0.00	50.00	0.00	0.00	33.33
Indigenous	42.86	28.57	28.57	18.18	27.27	27.27	35.90	28.21	28.21
Caste									
Upper Caste	48.00	12.00	36.00	40.00	30.00	60.00	45.71	17.14	42.86
OBC-I	19.05	0.00	19.05	8.33	0.00	16.67	15.15	0.00	18.18
OBC-II	3.85	23.08	19.23	9.52	14.29	52.38	6.38	19.15	34.04
SC	3.33	3.33	21.67	0.00	0.00	31.82	2.44	2.44	24.39
ST	13.04	9.57	19.13	6.25	8.33	37.50	11.04	9.20	24.54
Land Category									
Landless	16.67	4.55	25.76	8.33	8.33	41.67	14.44	5.56	30.00
Marginal	9.93	9.93	15.89	8.96	5.97	29.85	9.63	8.72	20.18
Small	29.63	14.81	40.74	13.33	13.33	73.33	23.81	14.29	52.38
Medium	0.00	0.00	33.33	0.00	20.00	20.00	0.00	12.50	25.00
Large				0.00	50.00	100.00	0.00	50.00	100.00
Occupation HH									
Self-employed in Agriculture	12.50	12.50	23.21	4.00	8.00	44.00	9.88	11.11	29.63
Self-employed in Non- agriculture (including business)	15.79	10.53	42.11	5.56	5.56	55.56	10.81	8.11	48.65
Casual Labour in Agriculture	2.27	2.27	9.09	0.00	0.00	20.00	2.04	2.04	10.20
Casual Labour in Non-agriculture	18.45	10.68	22.33	8.11	8.11	24.32	15.71	10.00	22.86
Regular Salaried	20.00	10.00	20.00	14.29	21.43	57.14	16.67	16.67	41.67
Others	13.33	0.00	20.00	21.43	7.14	35.71	17.24	3.45	27.59
Total	13.77	8.91	21.46	8.85	8.85	38.94	12.22	8.89	26.94

Chapter III

PROCESS OF ACCESSING WORK UNDER NREGA AWARENESS, REGISTRATION AND ISSUANCE OF JOB CARDS

The effective implementation of the NREGA depends, to a great extent, on the awareness about the entitlements under the Act and dissemination of information about various provisions of the scheme (NREGS). However, low levels of literacy, more so among the SCs, STs, lower OBCs, and landless and casual workers, who constitute a majority of the beneficiaries, and their limited access to modern means of communication, constrains the process of spreading awareness and dissemination of information in Bihar as well as in Jharkhand.

Nevertheless, there is a very high level of overall awareness about the scheme (obtaining a job for 100 days) in both the states: 94.49 per cent of the rural households in Bihar and 96.20 per cent in Jharkhand were aware of the scheme. More importantly, the overall awareness has increased substantially since 2006. For example, in Bihar, it increased from 62.45 per cent in 2006 to 94.49 per cent in 2008. It appears that the high level of awareness of the scheme is demand-driven in both the states.

Level of Awareness

Bihar

Table 3.1 shows the level of awareness about NREGA in the state and also indicates the changes across the districts between 2006 and 2008. As against 62.45 per cent of the aware households in 2006, 94.49 per cent of the households were aware in 2008. But whereas in 2006, the highest level of awareness was found in Rohtas district followed by the districts of Kishanganj, Samastipur, Nalanda and Supaul, in 2008, the highest level of awareness has been found in Kishanganj district followed by the districts of Samastipur, Nalanda, Supaul, Rohtas and Gaya. The overall awareness increased by 32.04 percentage points, but it increased by 41.88 percentage

points in Nalanda district, the highest one, and by 19.35 per cent in Gaya, the lowest one.

Table 3.1: District-wise NREGA Aware Households in Bihar

District	% of Aware HHs	% of Aware HHs
	2006	2008
Gaya	63.14	82.49
Kishanganj	68.07	100.00
Nalanda	54.87	96.75
Rohtas	71.38	93.36
Samastipur	62.95	96.99
Supaul	54.15	93.68
Total	62.45	94.49

Figure 3.1

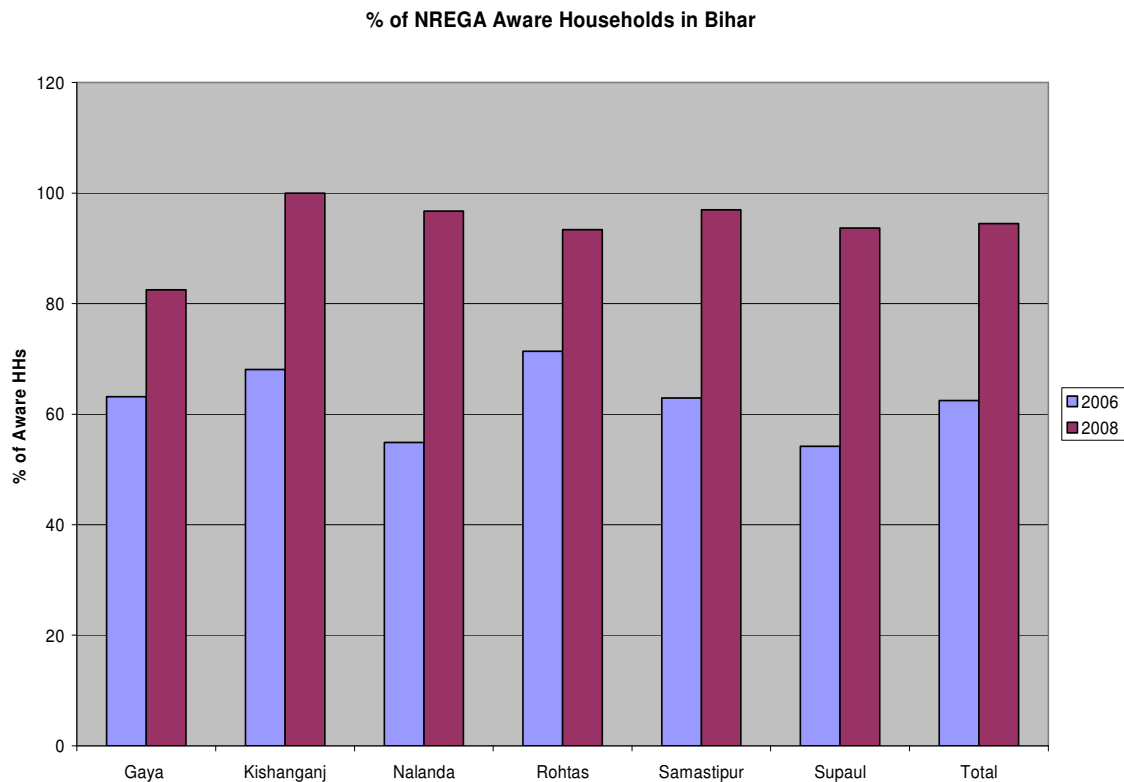


Table 3.2 shows the level of awareness across caste and land categories. Among the caste groups, STs, followed by SCs, OBC-I and OBC-II were the

most aware. Similarly, among the land category, the highest level of awareness was found among the landless and nearly-landless categories. Casual labourers in agriculture and non-agriculture were the other most aware groups. This also indicates a demand-driven search for information as the largest proportion of beneficiaries belongs to this group.

Table 3.2: Caste- and Land-wise NREGA Awareness in Bihar (2006 and 2008)

	% of Aware HHs	% of Aware HHs
Caste	2006	2008
Upper Caste	68.07	86.52
OBC-I	66	94.31
OBC-II	61.67	92.94
SC	67.06	97.94
ST		100
Others	55.90	100
Land		
Landless	59.50	97.24
Marginal	69.59	92.53
Small	64.39	91.37
Medium	62.33	
Large	64.71	
Total	62.45	94.49

Note: Data based on the census survey of selected villages (4304 HHs).

Jharkhand

The level of awareness was equally high in Jharkhand, as 96.20 per cent of the total households were aware of the scheme. The highest level of awareness was found in East Singhbhum district (97.31 per cent) followed by the districts of Pakur (97.22 per cent) and the lowest in Palamau (95.26 per cent). The level of awareness in Jharkhand is evenly distributed across various socio-economic groups, as shown in Table 3.3. Interestingly, East Singhbhum has the highest level of awareness in spite of the fact that the district was included in the second phase whereas Palamau has the lowest level of awareness in spite of having been included in the first phase of NREGA (NREGA covered only 200 districts in the first phase, which was implemented from 2nd February 2006 onwards).

Table 3.3 Level of NREGS Awareness in Jharkhand (2008)

Districts	% of Aware HHs
East Singhbhum	97.31
Pakur	97.22
Palamau	95.26
Caste	
Upper Caste	98.71
OBC-I	89.41
OBC-II	98.88
SC	95.24
ST	96.90
Others	100.00
Land	
Landless	97.51
> 0.5 acres	96.82
0.5 to 1 acres	94.44
1 to 2.5 acres	97.08
2.5 to 5 acres	91.37
5 to 10 acres	96.55
above 10 acres	100.00
Total	96.20

Note: Based on the census of selected villages (1843 HHs).

Quality of Awareness

Bihar

Notwithstanding the high level of general awareness (100 days of wage employment), most of the respondents were unaware of the details of the provisions and entitlements. For example, 91.34 per cent of the respondents in Bihar were aware of the minimum number of guaranteed employment days, but only 22.89 per cent knew about minimum wages, 10.72 per cent about crèches and other facilities; 35.88 per cent about the job to be provided within a radius of five kms.; 2.47 per cent about the planning process; and 27.42 per cent about the role of the Gram Panchayat. However, the level of quality awareness did not change significantly from what it was in 2006. Apparently, this requires urgent attention of the implementing agencies. Table 3.4 shows the level of quality awareness in Bihar district, caste and land-wise.

Table 3.4: Level of Quality Awareness in Bihar (% of Respondents)

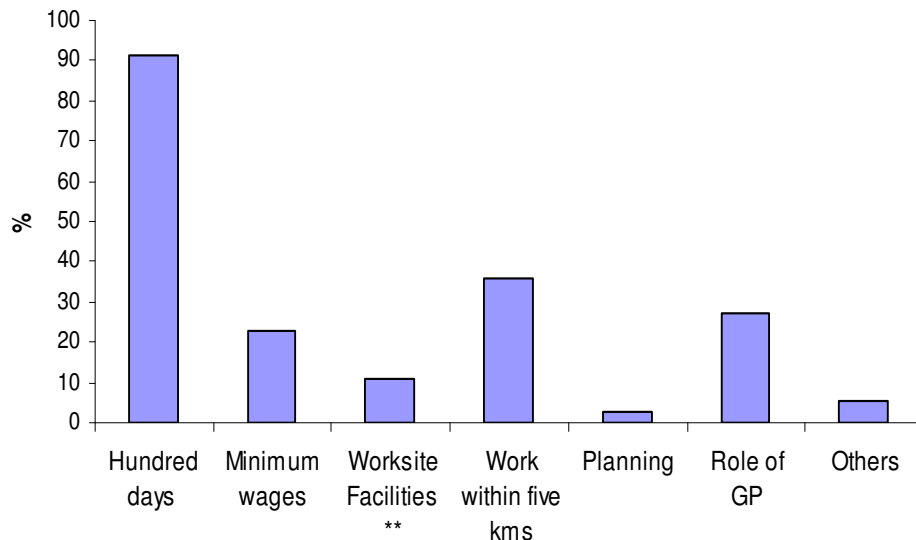
District	Hundred Days	Minimum Wages	Work-site Facilities **	Work within Five Kms.	Planning Process	Role of GP	Others
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Gaya	92.59	27.16	4.94	23.46	0.00	18.52	4.94
Kishanganj	92.59	12.35	2.47	40.74	2.47	22.22	4.94
Nalanda	90.91	31.17	16.88	36.36	1.30	20.78	5.19
Rohtas	91.86	36.05	17.44	45.35	1.16	25.58	1.16
Samastipur	88.10	13.10	10.71	39.29	3.57	34.52	13.10
Supaul	92.11	17.11	11.84	28.95	6.58	43.42	3.95
Caste							
Upper Caste	92.86	14.29	14.29	28.57	7.14	0.00	7.14
OBC-I	91.54	20.00	10.77	36.92	3.85	30.00	5.38
OBC-II	92.71	27.08	5.21	39.58	2.08	29.17	4.17
SC	90.64	23.83	13.19	35.32	1.70	26.38	5.96
ST	90.00	10.00	0.00	10.00	0.00	40.00	10.00
Land Category							
Landless	91.05	20.37	11.42	34.57	1.54	28.40	6.17
Marginal	92.31	23.85	6.92	41.54	5.38	26.92	4.62
Small	87.50	37.50	25.00	16.67	0.00	20.83	4.17
Medium	100.00	66.67	0.00	50.00	0.00	16.67	0.00
Large	100.00	100.00	0.00	100.00	0.00	0.00	0.00
Total	91.34	22.89	10.72	35.88	2.47	27.42	5.57

*Multiple Responses.

** Crèche, Shed, Water, First Aid.

Figure 3.2

Level of Quality Awareness in Bihar (2008)



Jharkhand

The quality of awareness is equally poor in Jharkhand. Even though 93.45 per cent of the respondents were aware of the minimum number of guaranteed days of employment, only 33.90 per cent knew about minimum wages; 7.98 per cent about worksite facilities; 35.04 per cent about distance provision; 7.98 per cent about the role of the Gram Panchayat; and 2.85 per cent about some other provisions of the scheme. Table 3.5 shows the level of quality awareness across districts, caste and land categories in Jharkhand.

Table 3.5: Level of Quality Awareness in Jharkhand (% of Respondents)

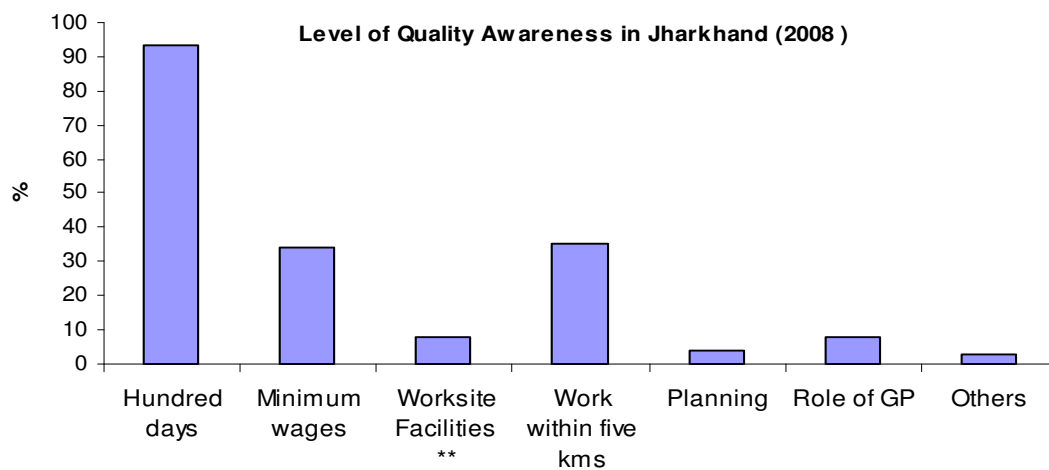
	Hundred Days	Minimum Wages	Work-site Facilities **	Work within Five Kms.	Planning Process	Role of GP	Others
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
District							
East Singhbhum	94.12	33.61	18.49	31.09	0.84	0.00	3.36
Pakur	97.35	30.97	1.77	48.67	9.73	15.93	0.88
Palamau	89.08	36.97	3.36	26.05	0.84	8.40	4.20
Caste							
Upper Caste	100.00	41.18	8.82	41.18	5.88	5.88	2.94
OBC-I	93.33	33.33	6.67	33.33	6.67	3.33	3.33
OBC-II	91.49	40.43	17.02	27.66	2.13	2.13	4.26

SC	96.30	29.63	3.70	33.33	3.70	11.11	2.47
ST	91.19	32.70	7.55	37.11	3.14	9.43	2.52
Land Category							
Landless	95.45	30.68	2.27	34.09	7.95	9.09	3.41
Marginal	93.46	31.78	7.94	34.58	2.80	7.94	2.34
Small	92.31	53.85	20.51	41.03	0.00	7.69	2.56
Medium	75.00	25.00	0.00	37.50	0.00	0.00	0.00
Large	100.00	50.00	50.00	0.00	0.00	0.00	50.00
Total	93.45	33.90	7.98	35.04	3.70	7.98	2.85

*Multiple Responses

** Crèche, Shed, Water, First Aid.

Figure 3.3



Sources of Information and Awareness

Identifying the source of information and awareness about the government programmes and policies in rural society is critical to policy-making and its implementation. Although one may have multiple sources of information and awareness, the following section explains only the main sources of information about NREGA/NREGS.

Bihar

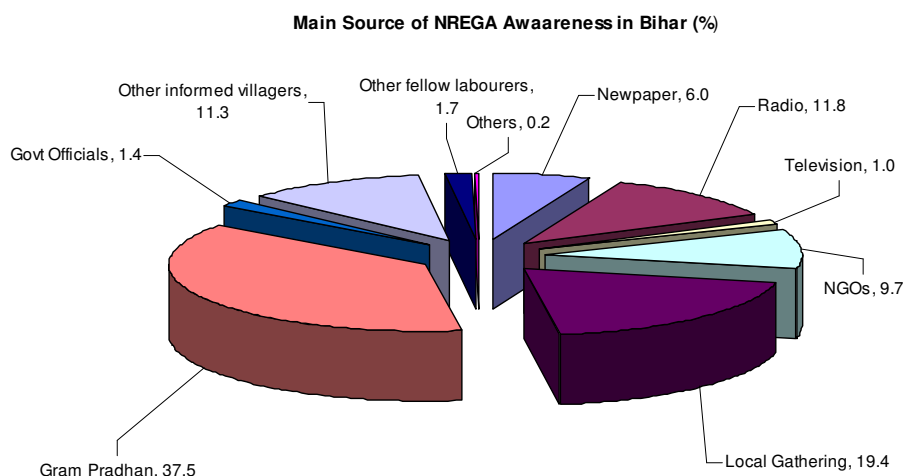
Table 3.6 shows the sources of information and awareness about the NREGS in the rural society of Bihar. It indicates that about 70 per cent of the households came to know about the NREGS through the Gram Pradhan, other informed villagers, and co-workers. The role of newspapers, radio and television was second to that of the Gram Pradhan and other villagers. Radio was the source of information for 11.75 per cent of the households, newspapers for 5.98 per cent, and television for merely 1.03 per cent of the respondents. The villagers' access to radio and television is also constrained by the non-availability of electricity, apart from the lack of means to purchase it. NGOs were the source of information for 9.69 per cent of the households and government officials for only 1.44 per cent of the households. This also reflects the extremely low level of outreach of the local level officials and their poor and inadequate efforts in reaching out to the beneficiary groups. Moreover, whereas in Rajasthan and some other states, the civil society organizations played a very critical role in spreading awareness and information, the role of civil society organizations appears to be missing in Bihar.

Table 3.6: Sources of NREGS Awareness in Bihar (%)

	News- paper	Radio	Tele-vision	NGOs	Local Gather-ing	Gram Pradhan	Govt. Officials	Other Informed Villagers	Other informed villagers	Others
	1	2	3	4	5	6	7	8	9	10
District										
Gaya	2.47	3.70	1.23	4.94	25.93	34.57	2.47	20.99	3.70	0.00
Kishanganj	3.70	4.94	0.00	1.23	19.75	59.26	0.00	8.64	2.47	0.00
Nalanda	6.49	2.60	0.00	5.19	16.88	44.16	3.90	18.18	1.30	1.30
Rohtas	9.30	19.77	3.49	10.47	17.44	25.58	1.16	10.47	2.33	0.00
Samastipur	7.14	15.48	0.00	22.62	16.67	32.14	0.00	5.95	0.00	0.00
Supaul	6.58	23.68	1.32	13.16	19.74	30.26	1.32	3.95	0.00	0.00
Caste										
OBC-I	6.15	16.92	1.54	6.15	14.62	40.77	0.77	12.31	0.77	0.00
OBC-II	15.63	16.67	0.00	11.46	9.38	35.42	1.04	9.38	1.04	0.00
SC	2.13	8.09	0.85	11.49	25.11	36.17	2.13	11.91	1.70	0.43
ST	0.00	0.00	0.00	0.00	40.00	40.00	0.00	0.00	20.00	0.00
Land										
Landless	2.78	8.33	0.93	11.73	21.91	38.58	1.54	12.04	1.85	0.31
Marginal	11.54	16.92	1.54	5.38	15.38	36.92	0.77	10.00	1.54	0.00
Small	8.33	25.00	0.00	8.33	12.50	29.17	4.17	12.50	0.00	0.00
Medium	33.33	33.33	0.00	0.00	0.00	33.33	0.00	0.00	0.00	0.00
Large	100.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	0									
Total	5.98	11.75	1.03	9.69	19.38	37.53	1.44	11.34	1.65	0.21

Figure 3.4



Caste, Land and Occupation and Access to Means of Information

Access to modern means of communication, that is, newspapers, radio and television, is higher in the relatively developed districts of Rohtas, Nalanda and Samastipur than in the backward districts of Gaya, Supaul and Kishanganj. In terms of caste, access to modern means of information is greater among the upper castes and OBCs than among SCs and STs. Moreover, the size of landholdings has a positive correlation with the access to modern means of mass communication as access increases with the size of landholding. Similarly, salaried households and those who are self-employed in both agriculture as well as non-agriculture have relatively greater access to newspapers, radio and television than casual labourers in agriculture and non-agriculture.

The most important finding is that the expected beneficiary groups - the landless and marginal landholders, SCs and STs, and casual labourers in agriculture and non-agriculture—are heavily dependent on the Gram Pradhan, other informed villagers, and co-workers for obtaining information about the scheme.

Jharkhand

The head of the village, other informed villagers and fellow workers are the main sources of information for 69 per cent of the households in Jharkhand. The role of the mass media, that is, newspapers, radio and television, in generating awareness about the programme, is limited: 8.26 per cent of the respondents came to know about the NREGS through newspapers; 6.27 per cent through radio; and only 0.28 per cent through television. But whereas in Bihar only 1.44 per cent of the households came to know about the NREGS through local government officials, in Jharkhand, the corresponding figure was 11.97 per cent. However, the role of NGOs in the dissemination of information remained limited: only 2.56 per cent of the households in Jharkhand as against 9.69 per cent in Bihar came to know through NGOs.

In terms of access to modern means of communication, a similar trend could be seen in Jharkhand as well. The upper castes, the landed and those who are self-employed in agriculture and non-agriculture have greater access to modern means of communication including newspapers, radio and television. The landless and casual labourers in agriculture and non-agriculture are more dependent on the head of the village, other-informed villagers, fellow workers and other sources for information. Moreover, access to modern means of communication has a positive correlation with the size of the landholdings.

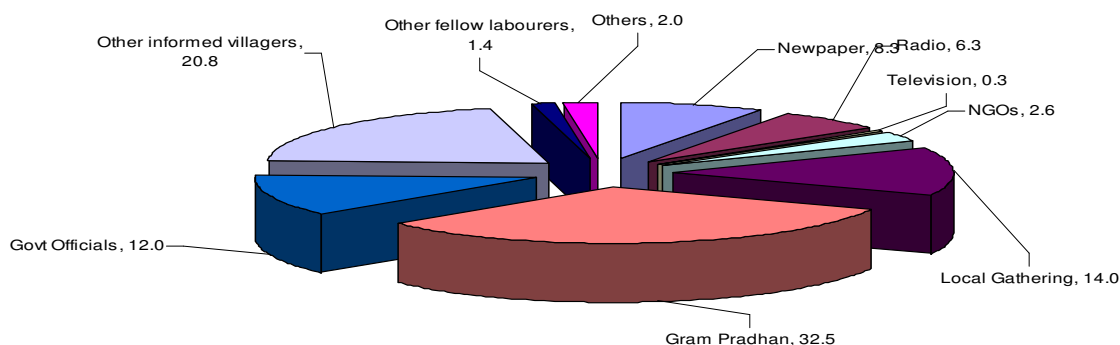
Table 3.7: Sources of NREGS Awareness in Jharkhand (%)

	News- paper	Radio	Television	NGOs	Local Gathering	Gram Pradhan	Govt. Officials	Other members of Gram	Other Fellow Labourers	Others
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
District										
East Singhbhum	9.24	5.88	0.84	0.84	20.17	21.85	14.29	21.01	1.68	4.20
Pakur	3.54	2.65	0.00	0.00	7.96	61.95	7.96	13.27	2.65	0.00
Palamau	11.76	10.08	0.00	6.72	13.45	15.13	13.45	27.73	0.00	1.68
Caste										
Upper Caste	2.94	8.82	0.00	0.00	11.76	58.82	14.71	2.94	0.00	0.00
OBC-I	6.67	0.00	0.00	3.33	23.33	40.00	6.67	16.67	3.33	0.00
OBC-II	12.77	12.77	0.00	2.13	17.02	21.28	8.51	14.89	0.00	10.64
SC	12.35	1.23	0.00	0.00	6.17	28.40	13.58	35.80	0.00	2.47
ST	6.29	7.55	0.63	4.40	15.72	30.82	12.58	19.50	2.52	0.00

Land Category										
Landless	12.50	2.27	0.00	2.27	10.23	45.45	11.36	14.77	0.00	1.14
Marginal	4.21	6.07	0.47	1.87	14.02	30.84	14.02	24.77	1.40	2.34
Small	15.38	12.82	0.00	2.56	20.51	17.95	5.13	17.95	5.13	2.56
Medium	37.50	0.00	0.00	25.00	25.00	12.50	0.00	0.00	0.00	0.00
Large	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	8.26	6.27	0.28	2.56	13.96	32.48	11.97	20.80	1.42	1.99

Figure 3.5

Main Source of NREGA Awareness in Jharkhand (%)



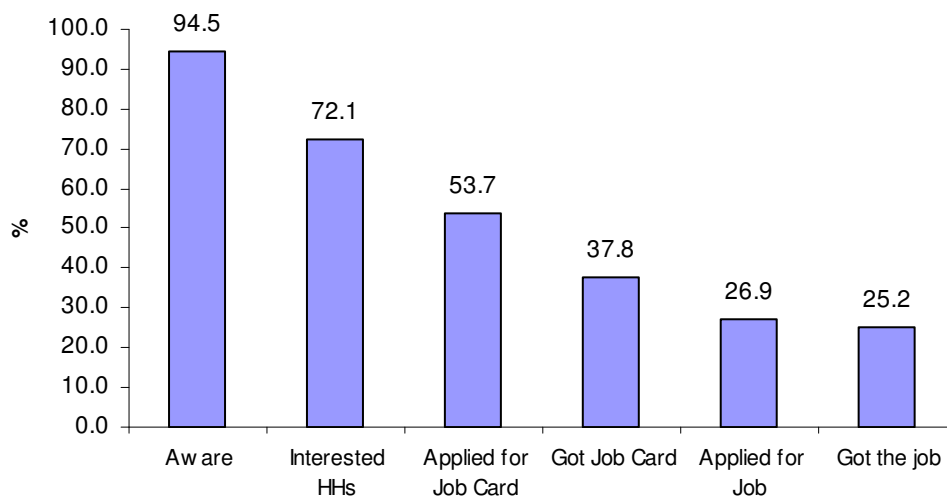
Job Card Registration and Distribution

Even though job card registration is a continuous process, yet it is only fair to assume that the households seeking employment under the NREGA should be registered on a priority basis. Since the scheme has been under implementation for the last two years, the households willing to seek employment under NREGS are expected to have already been registered and issued job cards. Only those households, which decide to join the scheme later (such as migrants who have, for some reason, stopped going outside, or those facing the vicissitudes of life like the loss of a regular source of income or of a regular earning member), or new entrants to the labour market (that is, those who have recently become adults) are expected to apply for the scheme throughout the year. However, if the implementing agencies have so far failed to register all the willing applicant households, then the process spills over and may not be treated as complete. Hence, the ratio of applicant households and the households provided job cards, in a sense, reflects the status of the registration process.

Bihar

Table 3.8 shows the status of job card registration and distribution in Bihar. Out of the total number of aware households, 76.32 per cent were interested in seeking employment under NREGA. But out of the interested (willing to seek employment) households, only 74.45 per cent had applied for the job card. Out of the applicant households, 70.49 per cent had already been provided with job cards.

Figure 3.6: Status of Job Card Registration and Distribution in Bihar (% of Total HHs)



In terms of the households seeking/interested in wage employment under NREGA, the demand was the highest in Kishanganj, Supaul and Gaya, the backward districts of the state. But the demand was also high in Rohtas, a

developed district of the state. One of the reasons for this high demand in even the developed district of the state is the low wage rate in the agricultural sector, which was the main source of livelihood for the wage earners till very recently. The high wage rate (minimum statutory under NREGA) makes it attractive for the wage earners and, hence, the high level of demand under NREGA.

**Table 3.8: Status of Job Card Registration and Distribution in Bihar
(% of HH)**

	Number of HHs	Aware	Interested	Applied for Job Card	Got Job Card	Applied for Job	Got the Job
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Districts		% of 1	% of 2	% of 3	% of 4	% of 5	% of 6
Gaya	417	82.49	78.49	69.26	59.89	91.96	96.12
Kishanganj	483	100.00	88.20	83.10	79.66	73.76	92.79
Nalanda	1168	96.75	58.32	68.89	47.36	95.81	96.60
Rohtas	708	93.36	81.39	85.69	76.79	75.99	87.73
Samastipur	531	96.99	71.65	68.02	82.87	79.33	98.79
Supaul	997	93.68	90.15	71.73	75.83	45.41	93.27
Total	4304	94.49	76.32	74.45	70.49	71.15	93.53

Note: Data based on the census survey of selected villages.

Out of the interested households, 85.69 per cent in Rohtas and 83.10 per cent in Kishanganj applied for the job card. The ratio of applicants for job cards to the interested households was equally high in other districts as well, showing that most of the rural household wants to be issued a job card. But out of the applicant households, 82.87 per cent in Samastipur, 79.66 per cent in Kishanganj, 76.79 per cent in Rohtas, 75.83 per cent in Supaul, 59.89 per cent in Gaya and 47.36 per cent in Nalanda were issued job cards.

The number of households issued job cards as a percentage of the total applicants remained low in Gaya and the lowest in Nalanda district.

In terms of the caste category, the maximum number of applicants seeking wage employment included STs, SCs and OBC-I category persons, the traditionally weaker and marginalized sections. Among the interested households, 95.16 per cent of the STs, 76.67 per cent of the OBC-II, 75.30 per cent of OBC-I, 73.10 per cent of the SCs and 61.93 per cent of the upper castes also applied for the job card. However, in terms of the issuance of job cards, except for OBC-II category households, the distribution was almost even across caste categories. Even in the case of the OBC-II category, 60 per cent of the applicants were issued job cards, as shown in Table 3.9.

Table 3.9: Status of Job Card Registration and Distribution across Castes in Bihar (HHs)

	Number of HHs	Aware	Interested	Applied for Job Card	Got Job Card	Applied for Job	Got the Job
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Caste		% of 1	% of 2	% of 3	% of 4	% of 5	% of 6
Upper Caste	371	86.52	54.83	61.93	73.39	86.25	89.86
OBC-I	1089	94.31	72.15	75.30	72.40	48.27	84.10
OBC-II	1359	92.94	65.16	76.67	59.75	67.90	91.02
SC	1410	97.94	93.41	73.10	76.14	82.59	97.64
ST	62	100.00	100.00	95.16	77.97	93.48	100.00
Others	13	100.00	92.31	91.67	36.36	75.00	100.00
Total	4304	94.49	76.32	74.45	70.49	71.15	93.53

Note: Data based on the census of selected villages.

The demand for wage employment under NREGA is inversely correlated with the size of the holding. Table 3.10 shows that out of the total number of aware households, the demand for wage employment was highest among the landless (87.67 per cent) and nearly landless, that is, those owning only up to 0.5 acres of land (76.75 per cent). The demand declined with the increase in the size of the landholding and the decline was substantial beyond those owning 2.5 acres of land. But among the interested households, the highest

percentage of applicants included those owning above 10 acres of land (100 per cent) and the landless (78.22 per cent).

Table 3.10: Status of Job Card Registration and Distribution across Land Category in Bihar (HHs)

	Number of HHs	Aware	Interested	Applied for Job Card	Got Job Card	Applied for Job	Got the Job
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Land		% of 1	% of 2	% of 3	% of 4	% of 5	% of 6
Landless	2461	97.24	87.67	78.22	72.09	76.58	96.03
> 0.5 acres	990	92.53	76.75	67.85	68.76	50.91	89.22
0.5 to 1 acres	336	91.37	56.03	64.53	61.26	70.59	70.83
1 to 2.5 acres	299	89.30	39.70	60.38	59.38	78.95	76.67
2.5 to 5 acres	135	86.67	12.82	73.33	54.55	66.67	100.00
5 to 10 acres	64	85.94	14.55	62.50	100.00	80.00	100.00
above 10 acres	19	63.16	16.67	100.00	50.00	0.00	0.00
Total	4304	94.49	76.32	74.45	70.49	71.15	93.53

Note: Data based on the census survey of selected villages.

The authenticity of the demand from the large landholders is dubious as they were more interested in getting job cards than in seeking employment. In fact, not a single household from those owning above 10 acres of land sought jobs even though 16.67 per cent of those who were aware in this category said that they were interested in seeking wage employment and 100 per cent of them had applied for job cards. It is to be noted that, 50 per cent of them were also issued job cards.

There is a general understanding among the implementing agencies that even if the applicant for the job card is not a genuine one, that is one who will never come for wage employment, they have to issue the job cards anyway. However, some of the officials believe that in the case of the non-genuine applicants, they can refuse to

Box 3.1

The applicants among the large landholders were basically interested in getting the job card issued either to use it as a legal document or to claim low economic status, or to get unemployment allowance.

A number of applicants among the large landholders belonged to the upper castes. When asked about the purpose of getting the job card, they said that this would help them in availing of the job reservation policy in the expectation that the reservation policy would change sooner or later to include the economically weaker sections from the upper castes.

issue job cards. This is the reason why a significant number of households were actually refused job cards. There is thus need for issuing clear instructions in this regard.

The distribution of job cards across land categories suggests that out of the total number of applicants, the number of those having been issued job cards is 100 per cent in the case of persons owning 5 to 10 acres of land, 72 per cent in the case of the landless, and 68 per cent in the case of those owning up to 0.5 acres of land, while the percentage then declines with the size of the landholding. This reflects the dynamics of local power relations and suggests that people with more land have better access to the government machinery.

Changes since 2006

In 2006, 25.32 per cent of the total households were applicants for the job card, whereas in 2008, this figure increased to 74.45 per cent out of the total aware households. In 2006, the ratio of applicant households was 16.2 per cent in Gaya, 53.48 per cent in Kishanganj, 11.45 per cent in Nalanda, 26.8 per cent in Rohtas, 29.36 per cent in Samastipur, and 7.81 per cent in Supaul. The corresponding figures increased to 69.26 per cent in Gaya, 83.10 per cent in Kishanganj, 68.89 per cent in Nalanda, 85.69 per cent in Rohtas, 68.02 per cent in Samastipur, and 71.73 per cent in Supaul.

In 2006, 6.09 per cent of the upper castes, 10.77 per cent of the OBC-I, 14.76 per cent of the OBC-II, 33.92 per cent of the SCs, 78.87 per cent of the STs, and 37.27 per cent of the Muslim households were applicants under the programme. In 2008, the corresponding figures increased to 61.93 per cent of upper castes, 75.30 per cent of the OBC-I, 76.67 per cent of the

OBC-II, 73.10 per cent of the SCs, 95.16 per cent of STs and 91.76 per cent of others.

In 2006, the ratio of applicant households from the land category was as follows: landless - 32.99 per cent; marginal landowners - 69 per cent; small landowners - 8.63 per cent; medium landowners -10.7 per cent and big farmers -14.71 per cent. In 2008, the corresponding figures increased to 78.22 per cent for the landless; 67.85 per cent for those owning 0.5 to 1 acre of land; 60.38 per cent for those owning 01-2.25 acres of land; 73.33 per cent for owners of 2.25 to 5 acres of land, and 62.50 per cent for owners of 5 to 10 acres of land.

Occupation-wise, the ratio of applicant households in 2006 was as follows: 11.39 per cent of the self-employed in agriculture; 37.32 per cent of the casual labourers in agriculture; 24.22 per cent of the casual labourers in non-agriculture; 16.16 per cent of the self-employed in non-agriculture and 9.89 per cent of the others, including salaried households. The corresponding figures increased across all occupation categories: 63.67 per cent of the self-employed in agriculture; 48.98 per cent of the self-employed in small business; 44.44 per cent of the self-employed in large business including salaried households, and 66.67 per cent in other households.

Similarly, there has been an increase in the percentage of households that were issued job cards. As against 27.66 per cent of the applicants provided with the job card in 2006, 70.49 per cent of the applicant households now have job cards. The process of job card distribution has taken off after the first year of implementation of the scheme.

Nevertheless, there is a gap between the number of applicant households and the households provided with job cards. For example, in Gaya district, out of 69.26 per cent of the applicant households, only 59.89 per cent were issued job cards, signifying a gap of 9.37 percentage points. Similarly in Kishanganj, there is a gap of 3.4 points, in Nalanda, of 21.53 points, and in Rohtas, of 8.9 points. But in two districts—Supaul and Samastipur—the number of households issued job cards is greater than the number of

applicant households. This shows that in some of the cases, the officials have issued job cards on their own, which also increases the chances of the misuse of job cards in these cases.

The distribution of job cards does not show any pronounced variation across castes, communities, land and occupation categories. However, in the case of STs, 17.19 per cent of the applicant households have not been issued job cards. On the other hand, in the case of the landless and landholders owning land in the range of 5 to 10 acres, the number of households with job cards is greater than the number of applicant households.

Reasons for Not Getting Job Cards

NREGS is a demand-based universal and non-discriminatory scheme. The Act provides that any willing household is entitled to get registered for the job card. However, the application for the job card can be rejected only if any discrepancy is detected during the process of verification of the name and address of the applicant. Therefore, there could be a gap between the number of applicant households and the households having been issued job cards. However, the probability of the applicant forging his/her residential address is very small, as people know each other in the local settings of the villages.

Table 3.11 delineates the reasons for the non-distribution of job cards in Bihar. Out of the total number of applicant households that are yet to receive job cards, 7.18 per cent alleged that officials demanded payment for this; 26.98 per cent claimed that the verification was not completed; 8.06 per cent were declared ineligible; the applications of 8.36 per cent were rejected; and 25.95 per cent were refused job cards.

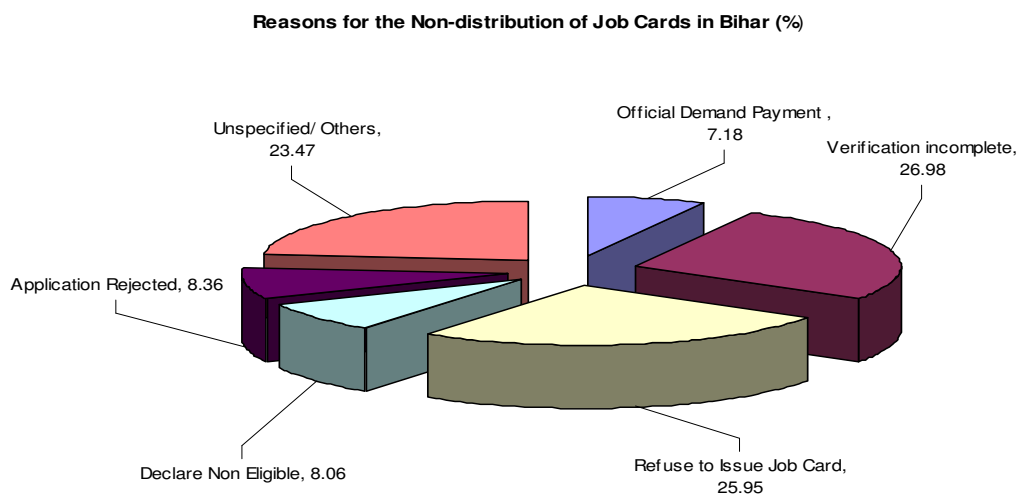
Table 3.11: Reasons for the Non-distribution of Job Cards in Bihar (%)

	Official Demanded Payment	Verification Not Completed	Refusal to Issue Job Card	Declared Non-eligible	Application Rejected	Unspecified / Others
	(1)	(2)	(3)	(4)	(5)	(6)
<i>District</i>						
Gaya	1.33	22.67	54.67	1.33	1.33	18.67
Kishanganj	1.39	40.28	8.33	9.72	2.78	37.50
Nalanda	5.02	26.36	31.80	5.86	2.93	28.03

Rohtas	7.48	14.95	28.04	23.36	13.08	13.08
Samastipur	11.63	16.28	41.86	2.33	2.33	25.58
Supaul	15.07	35.62	4.11	4.79	21.92	18.49
Total	7.18	26.98	25.95	8.06	8.36	23.47

Note: Multiple answers.

Figure 3.7



The largest number of refusals was reported in Gaya district (54.67 per cent) followed by the districts of Samastipur (41.86 per cent) and Rohtas (28.04 per cent). The largest incidence of officials demanding payment was reported in Supaul district followed by the districts of Samastipur, Rohtas, Nalanda, Kishanganj and Gaya.

Jharkhand

Table 3.12 shows the status of job card registration and distribution in the three selected districts of Jharkhand. Out of the total aware households, 30 per cent were interested in seeking employment and out of the interested households, 92 per cent had applied for the job card. However, out of the applicant households, 81 per cent got the job cards. District-wise, there is no sharp variation except for the fact that the number of households provided with the job cards as a percentage of the total applicants was the lowest in Palamau district and out of the interested households, the percentage of applicants for the job card was the lowest in Pakur district.

Table 3.12: District-wise Status of Job Card Registration and Distribution in Jharkhand (% of HH)

	Number of HHs	Aware HHs	Interested HHs	Applied for Job Card	Got Job Card	Applied for Job	Got the Job
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
District		% of 1	% of 2	% of 3	% of 4	% of 5	% of 6
East Singhbhum	334	97.31	93.85	95.41	88.32	94.94	95.90
Pakur	539	97.22	85.69	78.84	90.96	75.16	98.76
Palamau	970	95.26	91.13	97.62	74.70	89.74	89.66
Total	1843	96.20	90.02	91.92	81.32	86.92	93.25

Figure 3.8: Status of Job Card Registration and Distribution in Jharkhand (% of total HHs)

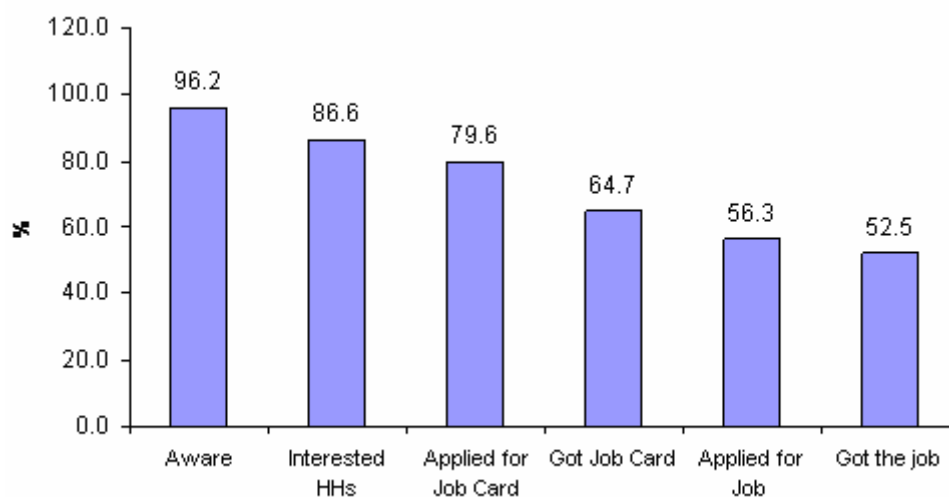


Table 3.13 shows the status of job card registration and distribution across caste categories. Except for the OBC-I category, the level of awareness is almost uniform across the district. However, the ratio of interested

households is the highest among SCs and STs and the lowest among upper castes. In terms of the households registering for the job card, the ST and SC households have applied in larger numbers than the other household categories.

Table 3.13: Caste-wise Status of Job Card Registration and Distribution in Jharkhand (HHs)

	Number HHs	Aware	Interested	Applied for Job Card	Got Job Card	Applied for Job	Got the Job
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Caste		% of 1	% of 2	% of 3	% of 4	% of 5	% of 6
Upper Caste	155	98.71	64.05	83.67	86.59	59.15	97.62
OBC-I	170	89.41	83.55	91.34	82.76	83.33	88.75
OBC-II	269	98.88	83.83	75.78	88.17	82.55	91.87
SC	504	95.24	98.13	93.63	73.92	92.64	88.08
ST	741	96.90	93.73	97.33	83.51	88.85	97.12
Others	4	100.00	100.00	100.00	100.00	100.00	100.00
Total	1843	96.20	90.02	91.92	81.32	86.92	93.25

Table 3.14 shows the households which were interested, which had applied, or which had been issued job cards, across land category. The most striking feature, as in the case of Bihar, is the fact that the percentage of interested households (out of the aware) declines with an increase in the size of the landholding. However, the percentage of applicant households (out of interested) does not decline with the size of the landholding. The percentage of households provided with the job card, however, remained almost uniform except in the case of those owning 0.5 acres of land but declined with a decrease in the size of the landholding. This reflects the dynamics of local power as the distribution is more favourable to the landed than to the landless households.

Table 3.14: Land Category-wise Status of Job Card Registration and Distribution in Jharkhand (% of HH)

	Number of HHs	Aware HHs	Interested HHs	Applied for Job Card	Got Job Card	Applied for Job	Got the Job
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Land		% of 1	% of 2	% of 3	% of 4	% of 5	% of 6
Landless	522	97.51	93.71	87.84	81.86	86.88	97.65
> 0.5 acres	566	96.82	92.15	93.66	74.42	86.93	88.89
0.5 to 1 acres	342	94.44	91.02	94.56	86.69	89.63	92.59
1 to 2.5 acres	240	97.08	89.70	89.95	86.70	86.50	94.33

2.5 to 5 acres	139	91.37	74.80	100.00	86.32	79.27	92.31
5 to 10 acres	29	96.55	57.14	87.50	85.71	91.67	100.00
above 10 acres	5	100.00	0.00	0.00	0.00	0.00	0.00
Total	1843	96.20	90.02	91.92	81.32	86.92	93.25

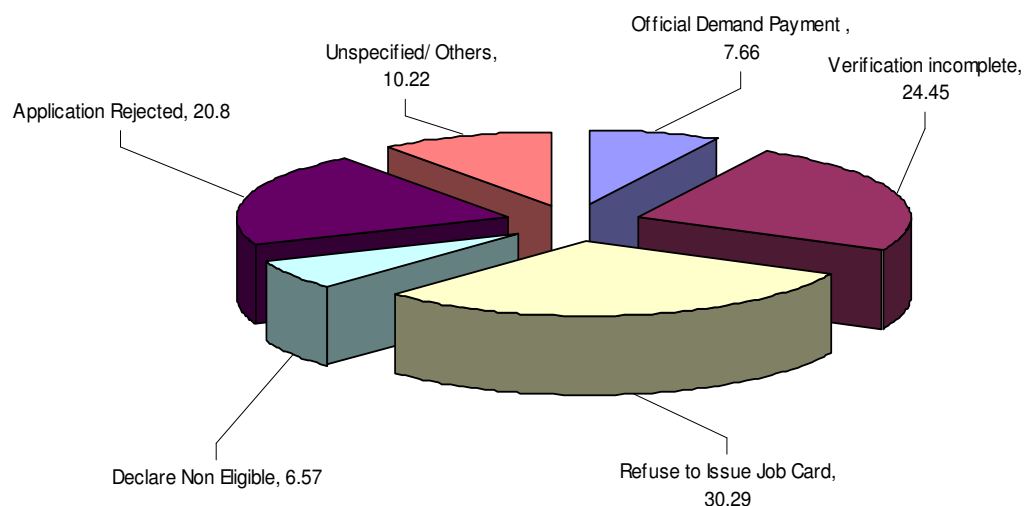
Table 3.15 describes the reasons for the non-distribution of job cards in Jharkhand. Of the total number of applicant households yet to receive job cards, 7.66 per cent said that the officials demanded payment for this; 24.45 per cent claimed that the verification was not completed; 30.29 per cent were refused job cards; 6.57 per cent were declared ineligible; the applications of 20.80 per cent of the households were rejected; and 10.22 per cent also gave other reasons.

Table 3.15: Reasons for the Non-distribution of Job Cards in Jharkhand (% of HH)

	Official Demanded Payment	Verification Not Completed	Refusal to Issue Job Card	Declared Non-eligible	Application Rejected	Others
	(1)	(2)	(3)	(4)	(5)	(6)
District						
East Singhbhum	2.94	20.59	29.41	23.53	17.65	5.88
Pakur	25.00	53.13	18.75	3.13	0.00	0.00
Palamau	5.77	20.67	32.21	4.33	24.52	12.50
Total	7.66	24.45	30.29	6.57	20.80	10.22

Figure 3.9

Reasons for the Non-distribution of Job Cards in Jharkhand (%)



The reasons for the non-distribution of job cards vary across districts. For example, the complaint officials demanding payment was the highest in Pakur but the refusal and rejection ratio was the highest in Palamau district. The problem of verification was greater in Pakur but a significant number of applicants were declared non-eligible in East Singhbhum. The rejection ratio was also the second highest in East Singhbhum.

Chapter IV

ENTITLEMENT TO EMPLOYMENT, MINIMUM WAGES AND FOUR FACILITIES AT WORKSITES

The NREGS is a demand-driven rights-based development programme that aims at providing:

- not less than 100 days of guaranteed wage employment in a financial year to every rural household, whose adult members volunteer to do unskilled manual work [Section 3 (i)];
- unemployment allowance in a situation wherein the applicant does not get employment within fifteen days of demanding so [Section 7 (i)];
- payment of minimum wages at the rate fixed by the Central Government or until so as provided by the State Government under Section 3 of the Minimum Wages Act 1948 for agricultural labourers [Section 6(i) and (2)], which should not be less than Rs. 60 per day; and
- four facilities—drinking water, first aid, shelter, and crèches—at the worksites.

The present chapter examines the fulfilment of various entitlements as provided by the Act. There are three basic entitlements: (a) 100 days of wage employment or unemployment allowance; (b) minimum wages; and (c) four facilities at the worksites.

A. Entitlements to Employment:

The number of households that have been provided employment out of the total applicant households, and the number of days of employment provided out of the total number of days demanded are the broad indicators of the fulfilment of employment entitlement under the scheme.

Bihar

Employment Provided

In Bihar, a total of 3,859,630 households, constituting 97.08 per cent of the households that demanded employment, and 35 per cent of the Below the Poverty Line (BPL) households were provided employment during 2007-08. In terms of individuals and women, 3,274,206 individuals and 1,008,932 women were also provided employment during the same year.

The district-wise details of the households demanding employment and those that have been provided employment have been given in Annexure 4.1. It shows that except for Bhojpur and Sheikhpura, all the districts appear to have provided employment to 100 per cent of the households that demanded it. However, this figure does not tell the real truth, as the number of households that have demanded employment is not properly accounted and recorded.

In both the states, that is, Bihar and Jharkhand, there is a serious procedural lacuna, as the households demanding employment are not registered in terms of being issued an acknowledgement. The problem is complicated by the fact that about half the households demanding employment are illiterate and cannot submit their applications for jobs on paper. There is also a lack of awareness about the procedure to be followed for applying for the job cards. Taking advantage of the illiteracy and ignorance of the jobseekers, the implementing agencies/agents do not issue receipts to those submitting applications for jobs. In the absence of vibrant civil society organizations and mobilization of the beneficiaries, the implementing agencies are able to circumvent this procedure. This obviously has implications in terms of the non-fulfilment of the entitlement under the scheme.

Households Provided Employment as a Ratio of BPL Households

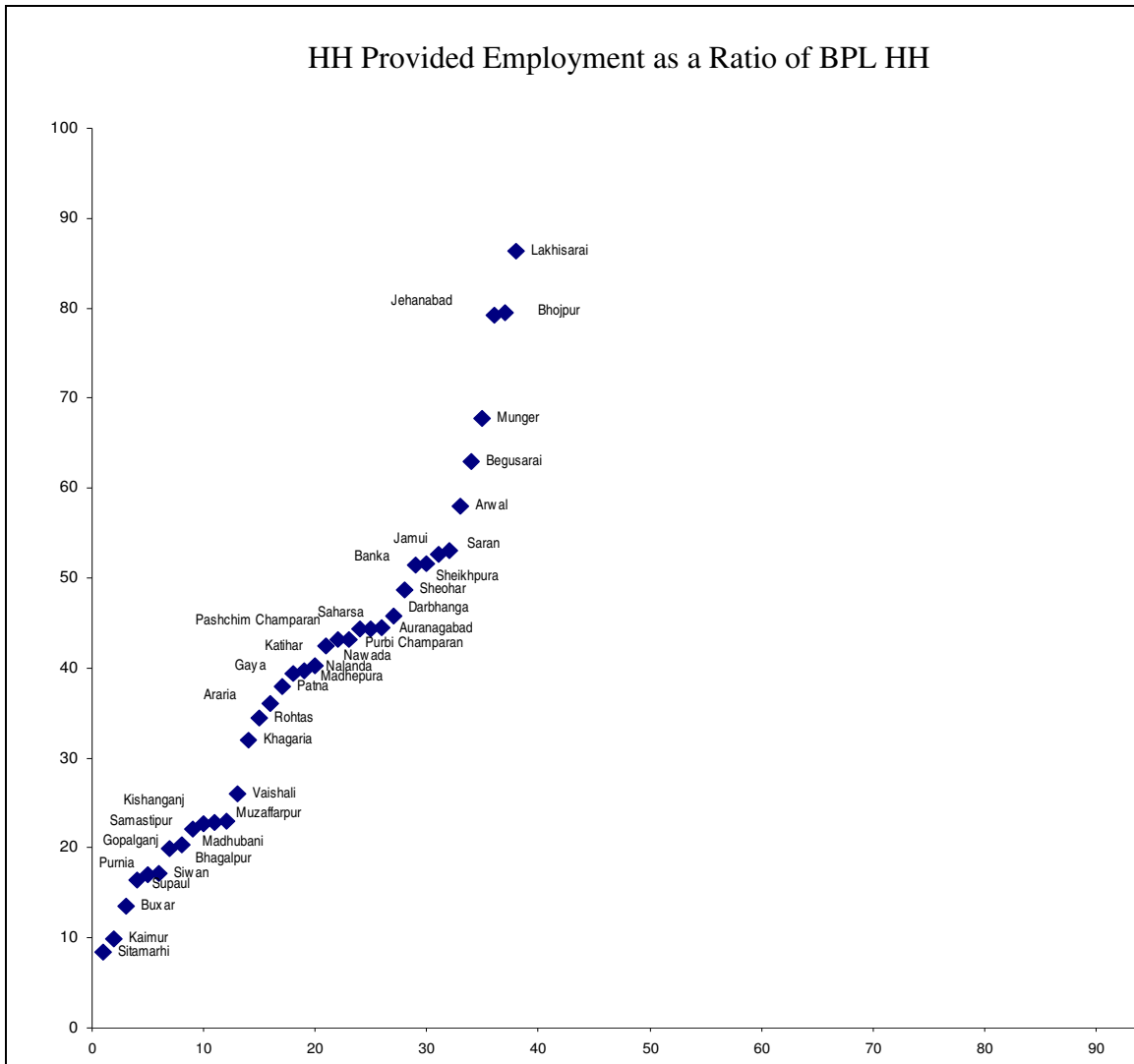
There are about 11,340,990 BPL households in the state. The intensity of demand for wage employment under the NREGA in the state suggests that most of the BPL families are potential job-seekers. Therefore, a comparison of the number of BPL households and the number of households that have

been provided employment would, to a certain extent, indicate the coverage of the households. The number of households covered so far constitute only 35 per cent of the number of BPL households in the district. Moreover, there are variations across districts. Table 4.1 shows the district-wise coverage of households as a ratio of the BPL households. The number of households, that have been provided employment as a ratio of the BPL households, is less than 25 per cent in 12 districts, between 25 and 50 per cent in 16 districts, and above 50 per cent in 10 districts.

Table 4.1: Households Provided Employment as a Ratio of BPL Households in Bihar

S. No.	Less Than 25% of BPL		S. No.	25 to 50% of BPL		S. No.	More than 50%	
1	SITAMARHI	8.47	1	VAISHALI	26.01	1	BANKA	51.39
2	KAIMUR (BHABUA)	9.84	2	KHAGARIA	31.92	2	SHEIKHPURA	51.54
3	BUXAR	13.57	3	ROHTAS	34.52	3	JAMUI	52.64
4	SUPAUL	16.42	4	ARARIA	36.06	4	SARAN	53.06
5	PURNIA	17.03	5	PATNA	37.88	5	ARWAL	58.01
6	SIWAN	17.21	6	GAYA	39.36	6	BEGUSARAI	62.93
7	GOPALGANJ	19.97	7	MADHEPURA	39.68	7	MUNGER	67.67
8	BHAGALPUR	20.37	8	NALANDA	40.20	8	BHOJPUR	79.25
9	SAMASTIPUR	22.07	9	NAWADA	42.42	9	JEHANABAD	79.45
10	MADHUBANI	22.72	10	KATI HAR	43.12	10	LAKHISARAI	86.27
11	KISHANGANJ	22.80	11	PASHCHIM CHAMPARAN	43.17			
12	MUZAFFARPUR	22.95	12	AURANAGABAD	44.31			
			13	PURBI CHAMPARAN	44.39			
			14	SAHARSA	44.42			
			15	DARBHANGA	45.84			
			16	SHEOHAR	48.66			

Figure 4.1



Households That Have Completed 100 Days of Employment

The Act provides that a household can get up to 100 days of wage employment, depending on the requirement of the households and provided that they have demanded it. The number of households that have been provided 100 days of employment is important if it is compared with the number of households that demanded up to 100 days of employment. However, since reliable information about the number of households that have demanded 100 days of employment is not available, the number of households that have been provided 100 days of employment cannot be

compared with the former. Nevertheless, this comparison is important for a state like Bihar (and even Jharkhand) as most of the job-seekers under the NREGA get only a limited number of days of employment throughout the year. Moreover, when asked about their requirement, a majority of the respondents in these two states said that they would like to work up to 100 days and if provided employment, even more than this. But the number of households that have been provided 100 days of employment is few in some districts and negligible in most others. The number of households that have completed 100 days of employment (52,825) constitutes merely 1.37 per cent of the total households that have been provided employment. The district-wise figures are given in Annexure 4.1. What is however striking in these figures is that except for some districts, the number is nil in most of the districts including some of the most backward districts.

Average Person-days

The average number of person-days of employment provided per household increased from 16 in 2006-07 to 23 in 2007-08. Social category-wise, the average number of person-days of employment generated per Scheduled Caste (SC) household increased from 17 in 2006-07 to 22 in 2007-08, while in the case of Scheduled Tribes (STs), this figure increased from 18 person-days per households in 2006-07 to 29 in 2007-08. The social category-wise changes in employment generation have been shown in Table 4.2.

Table 4.2: Changes in Employment in Bihar

	2006-07	2007-08	Change*
HHS provided employment as % of BPL	14.89	34.03	19.14
Person-days of women as % of total	23.93	30.81	6.88
Average Employment days per (HH)			
SC	17	22	5
ST	18	29	11
Others	16	25	9
Total	16	23	7

*Change in 2007-08 as compared to 2006-07.

Source: Downloaded from <http://nrega.nic.in>.

Figure 4.2: Social Category-wise Average Person days of Employment in Bihar (2006-7 & 07-08)

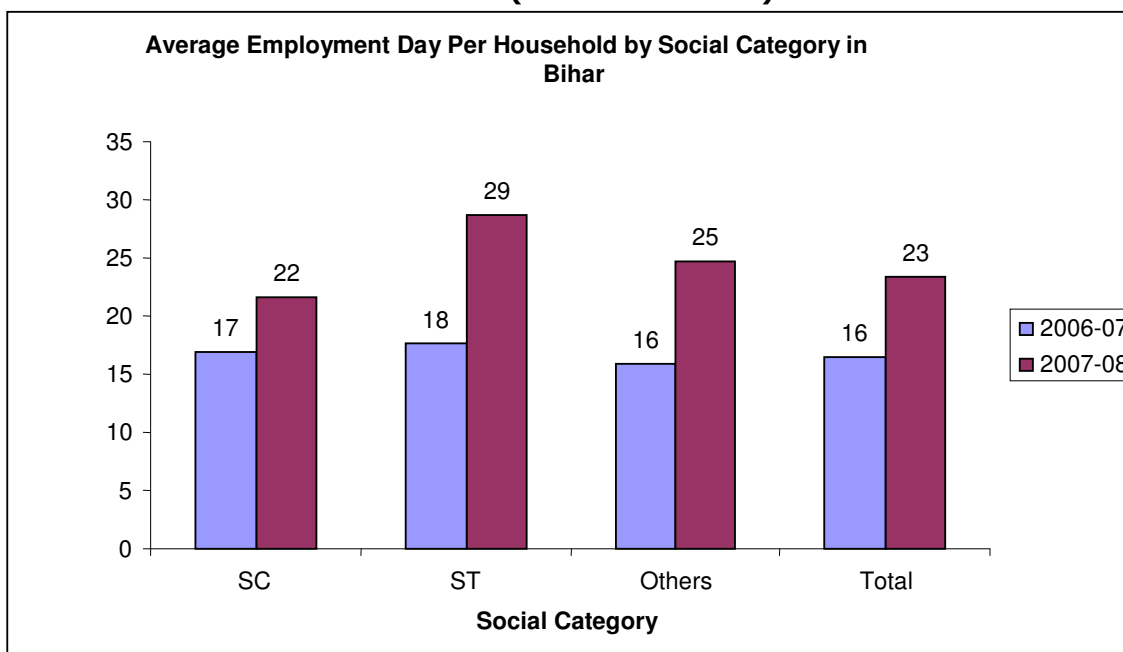


Table 4.3: District wise Average Person-days of Employment (HHs) in Bihar
Less than the State Average Greater than the State Average

S. No.	District	Avg. Person-days	S. No	District	Avg. Person-days
1	KHAGARIA	5.19	1	KATIHAR	25.09
2	SARAN	7.98	2	MADHEPURA	28.36
3	PURNIA	10.12	3	JEHANABAD	28.39
4	BHOJPUR	10.90	4	NALANDA	30.05
5	BANKA	11.55	5	NAWADA	32.20
6	MADHUBANI	11.74	6	SAHARSA	33.24
7	PASHCHIM CHAMPARAN	12.80	7	JAMUI	34.21
8	PURBI CHAMPARAN	13.50	8	MUNGER	38.14
9	ROHTAS	14.24	9	ARWAL	42.00
10	BEGUSARAI	16.99	10	LAKHISARAI	44.62
11	DARBHANGA	18.40	11	SIWAN	49.22
12	PATNA	18.77	12	MUZAFFARPUR	50.00
13	SITAMARHI	19.19	13	KAIMUR	54.63
14	VAISHALI	19.20		BUXAR	77.60
15	KISHANGANJ	20.15		SHEOHAR	80.00
16	AURANAGABAD	20.32		SUPAUL	1148.71*
17	GAYA	21.94			
18	BHAGALPUR	22.12			
19	GOPALGANJ	22.14			
20	ARARIA	22.30			
21	SAMASTIPUR	23.14			
22	SHEIKHPURA	23.32			

Source: NREGA.NIC.IN.

*Problem in data

State average: 23.31

On the basis of the number of person-days of employment generation per household, the districts covered have been divided into the following two types:

- (a) less than the state average
- (b) more than the state average

Out of 38 districts in Bihar, 21 districts provided less than the state average as shown in Table 4.3. Of course, there are some districts whose performances are quite appreciable, as the average number of person-days of employment generated there is even greater than the all-India average.

Employment to Women

The NREG Act stipulates: "The priority shall be given to women in such a way that at least one-third of the beneficiaries shall be women who have registered and requested to work under the Act." Annexure 4.1 gives the district-wise percentage of women beneficiaries in Bihar. There seems to be a problem in the data pertaining to some districts. Otherwise, however, it appears that except for a few, most of the districts have met this target.

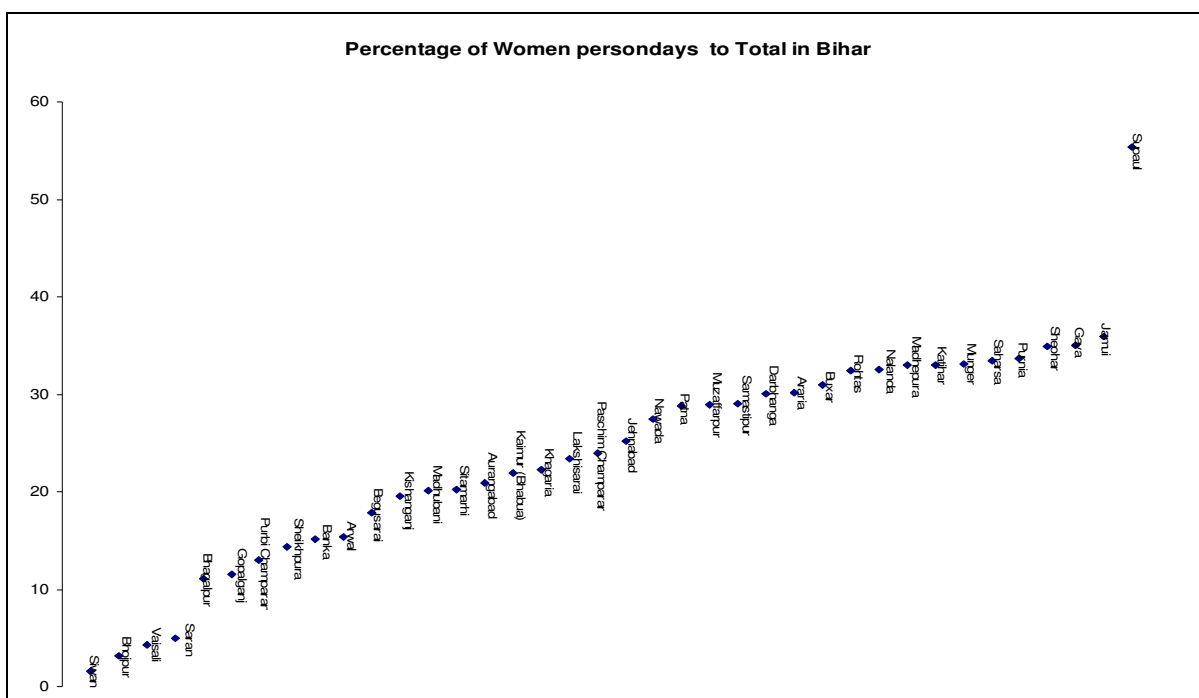
Table 4.4: Share of Women in the Total Number of Person-days in Bihar

Less than State Average (27%)		More than State Average (27 %)	
District	Percentage	District	Percentage
Siwan	1.62	Nawada	27.48
Bhojpur	3.20	Patna	28.83
Vaishali	4.34	Muzaffarpur	28.95
Saran	5.01	Samastipur	29.03
Bhagalpur	11.05	Darbhanga	30.01
Gopalganj	11.50	Araria	30.12
Purbi Champaran	13.00	Buxar	30.99
Sheikhpura	14.39	Rohtas	32.47
Banka	15.14	Nalanda	32.49
Arwal	15.32	Madhepura	32.94
Begusarai	17.80	Katihar	32.99
Kishanganj	19.58	Munger	33.07
Madhubani	20.14	Saharsa	33.41
Sitamarhi	20.18	Purnia	33.69
Aurangabad	20.96	Sheohar	34.95
Kaimur (Bhabua)	21.92	Gaya	34.99
Khagaria	22.28	Jamui	35.95
Lakshisarai	23.38	Supaul	55.35
Paschim Champaran	23.92		
Jehanabad	25.20		

Equally important is the share of women in the total number of person-days of employment provided. Table 4.4 shows the district-wise share of women in the total number of person-days of employment generated in 2007-08.

There are 21 districts wherein the percentage share of women in the total number of person-days of employment provided is less than the state average of 27 person-days. In the rest of the districts, it is greater than the state average. In some districts like Madhepura, Katihar, Munger, Sahara, Purnia, Sheohar, Gaya, Jamui and Supaul, it is more than one-third of the total number of person-days.

Figure 4.3



Survey-based Findings

The average number of person-days generated per household was 30 in 2006-07, which increased marginally to 31 in 2007-08 up to January 2008. But while the average number of person-days of employment generated per household was the highest in Supaul (57), followed by Gaya (55) and Nalanda (26) in 2006, it remained the highest in Supaul (43), followed by in Gaya (41) and Nalanda (38) in 2007-08.

The average number of person-days of employment generated was the highest among the SC households (42) in 2006-07. It was the highest among Other Backward Classes (OBC)-I category households (38), followed by SCs (31), and upper castes (28) in 2007-08. Similarly, the average number of person-days of employment generated per household was 32 in case of the landless households, and 24 in the case of persons owning up to 0.5 acres of land, while it declined with an increase in the size of the landholding (with the exception of landowners owning 5 to 10 acres), which was an outlier in 2006-07. The average number of person-days of employment generated per household was 31 in case of the landless, 34 in the case of owners of 0.5 acres of land, and 20 for those owning up to one acre of land, and declined with an increase in the size of the landholding. In terms of occupation, the average number of person-days of employment generated per household was 32 in the case of casual labourers in agriculture and 18 in the case of casual labourers in non-agriculture in 2006-07, which increased to 32 and 23 person-days respectively in 2007-08.

Table 4.5: Average Number of Person-days of Employment per HH in Bihar

	2006-07	2007-08
<i>District</i>		
Gaya	56	41
Kishanganj	11	10
Nalanda	26	38
Rohtas	15	17
Samastipur	15	18
Supaul	50	43
<i>Caste</i>		
Upper Caste	23	27
OBC-I	17	37
OBC-II	18	22
SC	41	30
ST	10	11
Others	24	
<i>Land Category</i>		
Landless	32	30
> 0.5 acres	24	33
0.5 to 1 acres	22	19
1 to 2.5 acres	16	18
2.5 to 5 acres	15	14
5 to 10 acres	60	9
All	30	31

Source: Survey Based.

Jharkhand

Employment Provided

In Jharkhand, a total of 1,679,868 households, which constituted 100 per cent of the households that demanded employment and 66 per cent of the BPL households, were provided employment in 2007-08. In terms of persons, 901,762 individuals including 272,036 women were also provided employment. Women constituted 30.2 per cent of the beneficiaries, that is, marginally less than one-third, a requirement of the Act.

Interestingly, most of the districts reported meeting 100 per cent of the demand for employment, which does not reflect the reality. The problem is the suppression of demand-side data, as the households demanding employment are not issued receipts for their applications. Due to illiteracy, ignorance and lack of social mobilization, the entitlement and demand-based employment generation programme remains, by and large, supply-based in the state. Also, the implementing agencies do not issue receipts for the job applications as most of the job-seekers demand jobs orally. The district-wise details of the households that have been provided employment are given in the Annexure 4.3.

Employment Provided as a Ratio of BPL HHs

There are 2,554,780 BPL households in Jharkhand, and about 1,679,868 households (not necessarily only BPL) were provided employment. Thus, the ratio of households that were provided employment to the BPL households constituted 65.8 per cent of the total number of BPL households. District-wise, the coverage of households as a ratio of the BPL households has been given in Table 4.6 and Annexure 4.3.

Table 4.6: Percentage of Households Provided Employment as a Ratio of BPL Households in Jharkhand

Low			Medium			High		
S. No.	District	%	S. No.	District	%	S. No.	District	Percentage
1	Dhanbad	20.3	1	West Singhbhum	26.2	1	Hazaribagh	54.1
			2	Deoghar	42.8	2	Jamtara	54.3
			3	Giridih	46.7	3	Chatra	57.0
			4	Godda	47.2	4	Garhwa	57.6
			5	Koderma	47.5	5	Dumka	60.7
						6	Palamau	62.0
						7	Saraikela Kharsawan	65.7
						8	Bokaro	73.8
						9	Sahebganj	74.1
						10	East Singhbhum	75.9
						11	Simdega	76.0
						12	Pakur	78.0
						13	Ranchi	101.3
						14	Lohardaga	126.2
						15	Latehar	148.3
						16	Gumla	164.5

Table 4.5 shows the districts in terms of the coverage of households as a ratio of the BPL households and divides them into three categories. Interestingly, the coverage is appreciable. The coverage is more than 50 per cent in all the districts except in six. In fact, in some of the districts, the coverage is more than the number of BPL households. Although the households coming for wage employment do not necessarily belong to the BPL category, yet it is likely that the BPL households needed employment security more than any other households and, hence, were potential job-seekers.

Scheme for any period beyond the period guaranteed under sub-section (1), as may be expedient”

The Centre /State Government may consider a demand-based increase in the maximum number of entitlement to employment days.

Average Number of Person-days

The average number of person-days of employment increased from 37 per household in 2006-07 to 46 in 2007-08. This change was equivalent to 13 percentage points in the case of ST households, 5 in the case of SC households, and 7 in the case of others. Table 4.5 shows the social category-wise changes in the average number of person-days of employment.

Box 4.1

In Pakur district, some of the beneficiaries were sitting idle when we visited the field and they came to us and demanded that they would like to work for more days. When clarified from officials, they told us that these households had already completed 100 days of employment. Therefore, we could not provide them more than that. But the question remains if a household needs it and demands it and implementing agencies is in a position to give it, can the state provide them more than 100 days of employment?

Table 4.7: Changes in Employment in Jharkhand

	2006-07	2007-08	Change*
HH provided employment as % of BPL	54.57	65.75	11.19
Person-days of women as % of total	27.57	30.17	2.60
Average Employment days per (HH)			
SC	42	47	5
ST	35	48	13
Others	36	43	7
Total	37	46	9

*Change in 2007-08 as compared to 2006-07.

Source: Downloaded from <http://nrega.nic.in>.

The district-wise variations in employment generation are shown in Annexure 4.4.

In some districts like Pakur, Gumla, Chatra and Garhwa, the employment provided for each SC household is substantial. Similarly, in Chatra and

Garhwa, the average number of person-days of employment per SC household is substantial.

On the basis of the average number of person-days of employment generated per household, the districts have been divided into two categories: (a) those having a number of person-days of employment that is less than the state average, and (b) those having a number of person-days of employment that is more than the state average. Table 4.6 shows the districts falling into the above two categories.

Table 4.8: Average Number of Person-days of Employment per Household in Jharkhand (2007-08)

Low (<40)			Medium (40-50)			High (>50)		
S. No.	District	%	S. No.	District	%	S. No.	District	%
1	GODDA	20.01	1	GIRIDIH	41.56	1	SARAIKELA KHARSAWAN	50.90
2	EAST SINGHBUM	26.09	2	JAMTARA	44.32	2	RANCHI	51.55
3	BOKARO	31.39	3	DEOGHAR	45.83	3	GUMLA	56.12
4	PAKUR	32.00	4	DHANBAD	46.14	4	GARHWA	61.50
5	HAZARIBAGH	34.19	5	LOHARDAGA	47.61	5	CHATRA	61.61
6	DUMKA	36.02	6	KODERMA	48.65	6	SIMDEGA	308.34*
7	SAHEBGANJ	36.80	7	WEST SINGHBHUM	48.86	7		
8	PALAMAU	39.57	8	LATEHAR	49.12	8		

* There appears to be some discrepancy in the data of Simdega district as downloaded from the website of Ministry of Rural Development: NREGA.NIC.IN.

In 12 districts - Godda, East Singhbhum, Bokaro, Pakur, Hazaribagh, Dumka, Sahibganj, Palamau, Giridih, Jamtara, Deogarh and Dhanbad - the average number of person-days of employment per household is less than the state average. In the rest of the 10 districts - Lohardaga, Koderma, W. Singhbhum, Latehar, Sareikela, Ranchi, Gumla, Garhwa, Chatra and Simdega - the corresponding figure is more than the state average.

Figure 4.5
Average Employment Day Per Household by Social Category in
Jharkhand (2006-07 and 2007-08)

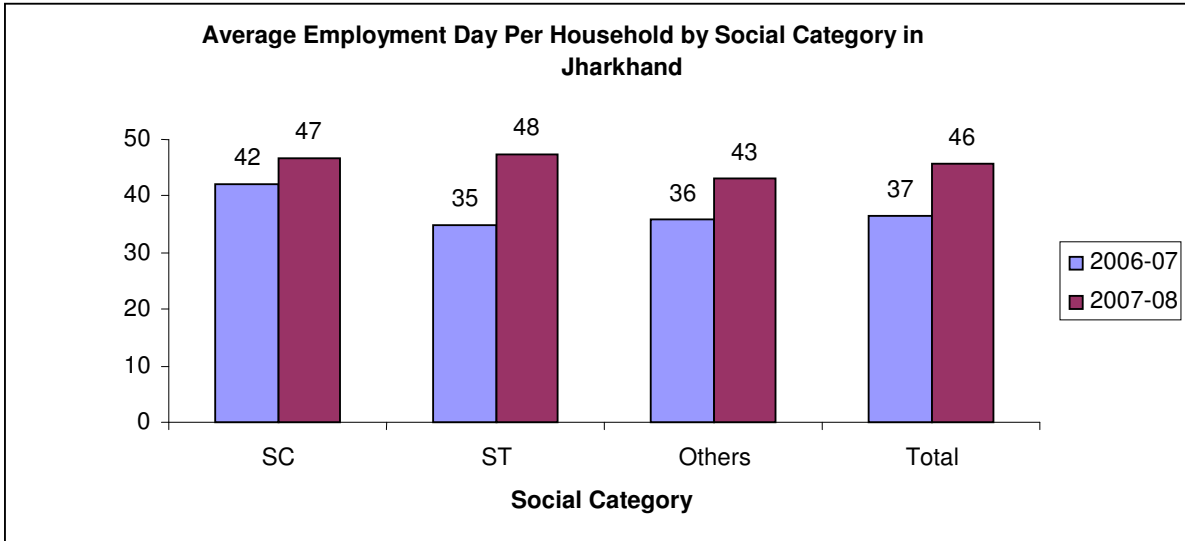
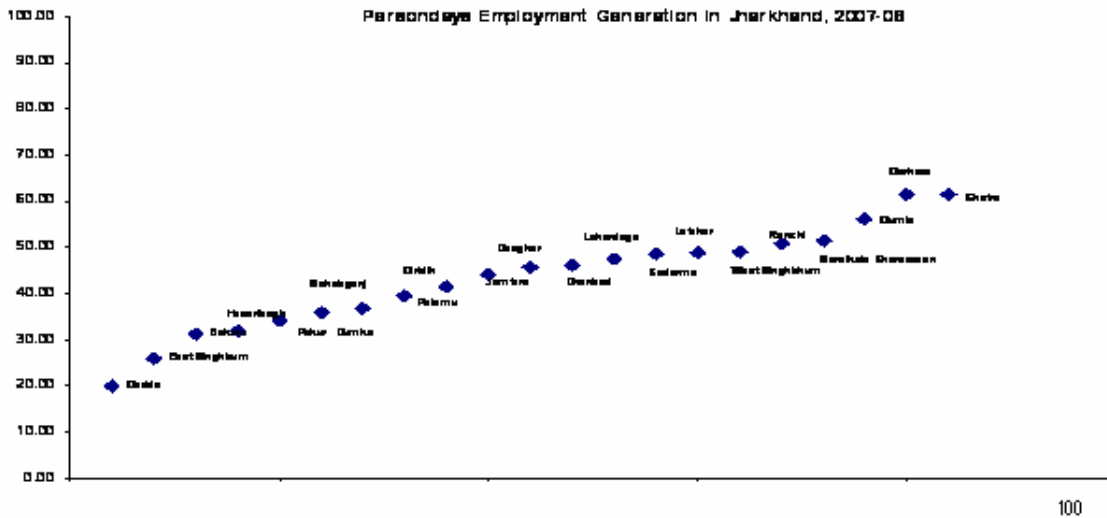


Figure 4.6



Employment to Women

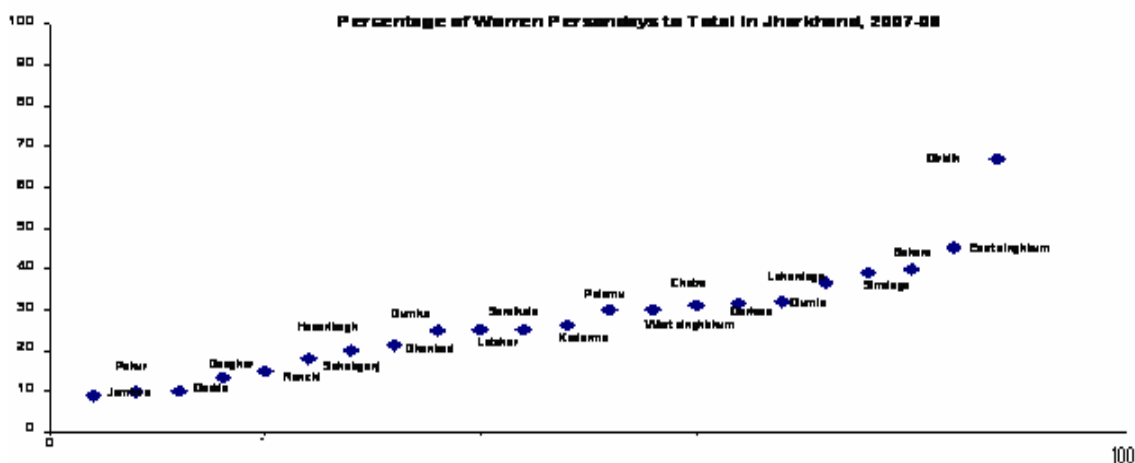
The Act provides that preference should be given to women beneficiaries in the ratio of one-third of the total. However, the spirit of the Act is not merely to ensure that only one-third number of the women beneficiaries get employment but also to ensure a sufficient number of employment days for

the women. Therefore, the number of employment days provided to women is equally important. Table 4.9 shows the district-wise percentage share of women in the total number of person-days of employment.

Table 4.9: Percentage of Women Person-days Work to Total in Jharkhand

< 10% Women Person-days			10-30% Women Person-days			> 30% Women Person-days		
S. No.	District	%	S. No.	District	%	S. No.	District	%
1	JAMTARA	8.86	1	GODDA	10.08	1	GARHWA	31.00
2	PAKUR	9.71	2	RANCHI	13.24	2	CHATRA	31.50
			3	DEOGHAR	14.75	3	GUMLA	32.00
			4	SAHEBGANJ	18.00	4	LOHARDAGA	36.68
			5	HAZARIBAGH	19.91	5	SIMDEGA	38.96
			6	DHANBAD	21.26	6	BOKARO	39.81
			7	DUMKA	24.90	7	EAST SINGHBUM	45.18
			8	LATEHAR	24.96	8	GIRIDIH	67.06
			9	SARAIKELA KHARSAWAN	25.15			
			10	KODERMA	26.08			
			11	PALAMU	29.97			
			12	WEST SINGHBHUM	29.98			

Figure 4.7



The share of women beneficiaries in the total number of person-days of employment is less than one-third in most of the districts. Only in the Lohardaga, Simdega, Bokaro, East Singhbhum and Giridih districts it is more

than one-third. In Giridih, it is about two-thirds, which is the highest in the state.

Table 4.10: Average Person-days of Employment (per Household) in Jharkhand (On recall basis)

	2006-07	2007-08
District		
East Singhbhum	24	23
Pakur	22	24
Palamau	20	19
Caste		
Upper Caste	21	23
OBC-I	25	18
OBC-II	24	26
SC	20	24
ST	19	18
Others	.	21
Land Category		
Landless	19	21
> 0.5 acres	20	22
0.5 to 1 acres	21	20
1 to 2.5 acres	21	20
2.5 to 5 acres	23	20
5 to 10 acres	26	18
All	20	21

*2007-08 may be under-estimation as the survey was conducted during January-February 2008 and in the next 1-2 months, the number of person-days generated might have gone up.

Survey-based Findings

The employment generation increased from 20 person days, on an average, per household in 2006-07 to 21 in 2007-08. It did not change much either across districts or across various socio-economic categories.

Unemployment Allowance

The Act provides for the payment of unemployment allowance in case of the inability of the implementing agencies to provide jobs on demand within 15 days of the applicant household demanding so. There is also a punitive provision that the implementing officials will be responsible for the payment of unemployment allowance except under certain circumstances. Moreover, the unemployment allowance will be paid by the state government and not by the Centre.

There is, however, not a single case of the payment of unemployment allowance in either of the two states. The reason for this is not that there was no case for the payment of unemployment allowance. The lack of payment of unemployment allowances in both the states is largely due to the following reasons:

- (a) Most of the households were unaware of the provisions of unemployment allowance and even where there was awareness, they were unaware of the procedures of applying and claiming unemployment allowance.
- (b) Officials were reluctant to pay unemployment allowance. It is a general perception of these officials that the payment of unemployment allowance will have to be followed by suitable explanations as to why he or she has to pay unemployment allowance instead of giving jobs. They consider it as a negative remark on their performance and, therefore, there is a general tendency to avoid it.
- (c) Some of the applicants are also unscrupulous as some households with a reasonably good economic and social status have managed to obtain job cards in an attempt to use them for claiming unemployment allowance. This has made the implementing agencies wary of giving unemployment allowances to even the genuine cases.

The most important hurdle in this regard is thus that neither the officials nor the citizens have taken the provision of unemployment allowance in the right spirit.

B. Wage Payment

The Act stipulates the payment of minimum wages, which should not be less than Rs. 60 (Section 6.1) and should be same as those fixed by the state government under Section 3 of the Minimum Wages Act, 1948, for agricultural labourers.

Box 4.2

In Nalanda district, there was a flood due to heavy rainfall in the rainy season of 2007. All the Kachcha works were suspended and waterlogging remained there for a considerable period, and, hence, it was difficult for the implementing agencies to provide job on demand.

Taking advantage of the difficulties, lots of people, who had never come for job, started demanding it under the NREGA and realizing the inability of the officials to provide so, they claimed unemployment allowance. It is also to be noted that in the Noorsarai Block of the Districts, unprecedented crowd had come to the BDO office to get a job card, though construction of a pond just a little away from the Block office was left incomplete as people were not coming for the job.

As per the Act and guidelines, both the state governments have fixed the minimum wages to be paid under the NREGA. Table 4.11 gives the minimum wages fixed by Bihar government as on October 31, 2008.

Table 4.11: Minimum Wages under NREGA in Bihar

Soil Category	Male (CFT)	Female (CFT)	Wages
Soft	80	68	89
Semi-hard	77	63	89
Hard	73	60	89

* CFT of soil to be dug with specified lead and lifting.

In Bihar, both the wage rate and the scheduled task have been revised, as under the previous wage rate, workers were finding it difficult to earn the minimum wages. The interesting aspect of the revised wage rate in Bihar is that it prescribes different tasks for male and female workers under the NREGA. The government of Jharkhand has revised the wage rate on the basis of the time and motion study conducted by the Birla Institute of Technology, Mesra (Ranchi). As per the revised rate, [Department of Rural Development, Government of Jharkhand (Ref. No: 4-548-NREGA/2008 No. 6873122-10-08)], the wage rate is given in Table 4.12. But unlike Bihar, the Jharkhand government has prescribed the same tasks for male and female workers.

Table 4.12: Schedule of Rates (Jharkhand)

Soil Category	Task (CFT)	Wages
Soft	73	90
Hard	54	90
Very Hard	44	90

CFT with prescribed lead and lifting.

Payment of Minimum Wages in Bihar

Table 4.8 shows the actual wage payment to the NREGA workers in the state. The figures in the table are based on the replies of the workers garnered during a survey of 23 worksites across six districts in the state.

As against the prescribed minimum wage of Rs. 82 (during the survey period), the actual wage payment was less than that in most of the cases. In Gaya district, out of the three worksites visited, the actual wage payment was Rs. 68 rupees in one case and Rs. 50 in the other two cases. In Kishanganj, the actual wage payment was Rs. 81 at one site, which was only one rupee less than the prescribed minimum, and Rs. 60 at the other two sites visited. The wage payment was most satisfactory in Supaul as out of five worksites surveyed, in four cases, the actual wage payment was Rs. 81, that is, only one rupee less than the prescribed minimum.

As a whole, the incidence and amount of wage payment was not an issue of concern, as the workers were getting, except in one case, not less than Rs. 60. Moreover, in a number of cases like in Supaul district and also in some other districts, the actual wage payment was only marginally less than the prescribed minimum wages. However, when the actual wage rates paid to the workers were cross-checked with the muster rolls and job cards, the entries were different. In almost all the cases examined, the job cards and muster rolls mentioned the minimum wage as prescribed under the guidelines. In some cases, the workers were working without job cards and their names were not found in the muster rolls. Muster rolls and job cards were generally not available at the worksites. When asked for them, some of the workers could produce the job cards while others could not. Similarly, muster rolls were found to be incomplete in a number of cases.

Table 4.13: Frequency of Actual Wage Payment in Bihar (in Rs.)

<i>District</i>	Total No. of Worksites: 23					Minimum Wage during the Survey	Revised Minimum Wage
	(1)	(2)	(3)	(4)	(5)		
Gaya	68.00	50.00	50.00	-	-	82.00	90.00
Kishanganj	60.00	81.00	60.00	-	-	82.00	90.00
Nalanda	81.00	60.00	60.00	-	-	82.00	90.00
Rohtas	68.00	60.00	60.00	75.00	81.00	82.00	90.00
Samastipur	75.00	60.00	81.00	71.00		82.00	90.00
Supaul	81.00	81.00	81.00	81.00	77.00	82.00	90.00

Note: Data based on worksite surveys.

Wage Payment in Jharkhand

The actual wage payment was less than the prescribed minimum in most of the cases in Jharkhand as well. However, at two worksites in Palamau, workers reported that they were paid exactly the prescribed minimum and at one worksite, workers even earned more than the prescribed minimum. But like in Bihar, here also, most of the workers were getting a minimum wage of Rs. 60, that is, less than the prescribed minimum wages.

Table 4.14: Frequency of Actual Wage Payment in Jharkhand (in Rs.)

<i>District</i>	Total No. of Worksites: 14					Minimum Wage during Survey	Latest Revised Wage
	(1)	(2)	(3)	(4)	(5)		
East Singhbhum	76.68	76.68	81.00	76.68	81.00	86.40	91.00
Pakur	81.00	81.00	81.00	65.00	-	86.40	91.00
Palamau	100	86.00	76.68	76.00	86.40	86.40	91.00

Note: Data based on worksite survey.

The actual wage payment in Jharkhand was closer to the prescribed minimum for the following two reasons:

- (a) In a number of cases, the wage payment had been made through bank accounts; and
- (b) The intensity of the working class movement (Ultra-left) in recent years has been more severe in Jharkhand than in Bihar.

Wage Payment and Scheduled Rate

The payment of minimum wages is another important aspect of implementation, which is also related to the fulfilment of entitlement. However, the payment of minimum wages through the scheduled task rate has emerged as a difficult issue of implementation primary because of:

- (a) differential abilities of the workers belonging to different age groups, gender and nutritional levels;
- (b) standardization of the scheduled rate on the higher side of the task; and
- (c) differential conditions of work during different seasons (the soil gets hardened during the summer when *katcha* works are generally undertaken).

The minimum wages have been revised from the earlier rates prevalent in both the states, and since the tasks have also been revised, the workers are expected to be able to earn minimum wages. Another important development is the payment of wages through banks and post-office accounts.

Method of Wage Payment

Even though the Act (Guidelines) prescribes the wage payment through the piece rate system, the daily wage payment (time rate) is also being practised. Out of the 23 worksites surveyed in Bihar, wage payment through the piece rate system was followed only in 10 cases and the time rate was followed in the rest of the 13 cases.

Table 4.15: Frequency of Wage Payment through Piece Rate and Daily Wage in Bihar

Site No.	(1)		(2)		(3)		(4)		(5)		Total Piece Rate	Total Daily Wage
District	Piece Rate	Daily Wage	Piece Rate	Daily Wage	Piece Rate	Daily Wage	Piece Rate	Daily Wage	Piece Rate	Daily Wage		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Gaya		√	√		√						2	1
Kishanganj		√		√		√					0	3
Nalanda		√		√		√					0	3
Rohtas	√			√		√	√			√	2	3
Samastipur		√		√		√	√				1	3
Supaul	√		√		√		√		√		5	0
Total											10	13

Results Based on Worksite Survey and the Replies of the Workers (√)

indicates the method)

In Jharkhand, on the other hand, the piece rate system was followed in 50 per cent of the cases and the time rate system in the rest 50 per cent. Table 4.16 shows the frequency of wage payment through the daily wage and piece rate systems in Jharkhand.

Table 4.16: Frequency of Wage Payment through Piece Rate and Daily Wage in Jharkhand

Site No	(1)		(2)		(3)		(4)		(5)		Total Piece Rate	Total Daily Wage
District	Piece Rate	Daily Wage	Piece Rate	Daily Wage	Piece Rate	Daily Wage	Piece Rate	Daily Wage	Piece Rate	Daily Wage		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
East Singhbhum		√		√		√		√	√		1	4
Pakur	√										3	1
Palamau	√			√	√			√	√		3	2
Total											07	07

Note: Data based on worksite survey and responses of the workers.

Time of Wage Payment

The NREGA prescribes that the wages of a worker should be paid weekly but not later than 15 days. Table 4.17 shows the period taken in wage payment in Bihar. About two-thirds of the beneficiary households were paid weekly, and one-fifth daily. About 7 per cent of the households were paid fortnightly and 3 per cent were even paid monthly.

Table 4.17: Time Undertaken in Wage Payment in Bihar

District	Daily	Weekly	Fortnightly	Monthly	More than a Month	Yet To be Paid	Others
Gaya	11.54	75.00	13.46	0.00	0.00	0.00	0.00
Kishanganj	8.47	91.53	0.00	0.00	0.00	0.00	0.00
Nalanda	27.27	58.18	3.64	1.82	0.00	7.27	1.82
Rohtas	11.86	81.36	6.78	0.00	0.00	0.00	0.00
Samastipur	22.03	59.32	6.78	11.86	0.00	0.00	0.00
Supaul	38.00	44.00	14.00	2.00	0.00	0.00	2.00
Total	19.46	68.86	7.19	2.69	0.00	1.20	0.60

Note: Data based on household survey.

In Jharkhand, 56 per cent of the beneficiary households were paid weekly, 15 per cent daily, 14 per cent fortnightly, 12 per cent monthly, and 2.5 per cent after more than a month.

Table 4.18: Time Undertaken in Wage Payment in Jharkhand

District	Daily	Weekly	Fortnightly	Monthly	More than a Month	Yet To be Paid	Others
East Singhbhum	6.90	35.63	20.69	29.89	5.75	0.00	1.15
Pakur	7.50	87.50	1.25	1.25	0.00	0.00	2.50
Palamau	29.63	45.68	19.75	3.70	1.23	0.00	0.00
Total	14.52	55.65	14.11	12.10	2.42	0.00	1.21

Note: Data based on household survey.

Cash or Payment through Bank/Post Office

Even though the rural development departments of both the states have directed that the payment be made through the bank/post office, it has not become a universal practice in either of the states. Although Jharkhand has made some progress in this regard, the process in Bihar is very slow. Table 4.19 shows the incidence of cash or bank payment in Bihar and reveals that except in Kishanganj district, in all the five districts surveyed, 100 per cent of the payments were made in cash only.

Table 4.19: Payment in Cash or through the Bank in Bihar

District	Cash	Bank	PO	Others
Gaya	100.00	0.00	0.00	0.00
Kishanganj	98.31	1.69	0.00	0.00
Nalanda	100.00	0.00	0.00	0.00
Rohtas	100.00	0.00	0.00	0.00
Samastipur	100.00	0.00	0.00	0.00
Supaul	100.00	0.00	0.00	0.00
Total	99.70	0.30	0.00	0.00

Note: Data based on household survey.

Box 4.3

Interesting thing about the payment through bank and post-office account is that implementing agents are not comfortable with the payment through bank and post-office account. A number of officials told in a complaining manner that payment through accounts creates difficulties for the workers. However, not a single worker told that he/she has difficulty in getting payment. In fact in Pakur district, some tribals were found walking 15 to 20 kms to get their wages from the post-office and bank. The non-availability of bank and post-office at suitable distance and their inflexible working hours definitely create hardship for the workers. Nevertheless, they are happy with the system.

In Jharkhand, except for Palamau district, the other two districts have certainly made admirable advances in this regard. In East Singhbhum, 55

per cent of the beneficiary households received payment through the post office and 21 per cent through the bank. Only 19 per cent of the households were paid in cash. In spite of the very low density of post offices and banks in Pakur district, one-fourth of the beneficiary households received payment through the bank and 2.5 per cent through the post office.

Table 4.20: Payment in Cash or through the Bank in Jharkhand

District	Cash	Bank	PO	Other
East Singhbhum	19.54	20.69	55.17	4.60
Pakur	72.50	25.00	2.50	0.00
Palamau	93.83	6.17	0.00	0.00
Total	60.89	17.34	20.16	1.61

Note: Data based on household survey.

There are two difficulties in this regard. One is that the implementing agents at the grassroots level are not very receptive to the idea of payment through the bank or post office account. Two, there is a practical difficulty due to the poor density of post office and bank accounts in rural areas. For example, in some blocks of Pakur district, there are only one or two branches of banks or post offices. This creates a genuine problem in this regard. In some of the cases, the workers have to walk for 15 kms. to receive the payment. Sometimes, even after reaching the post office or bank, they were returned as money had not been transferred in their accounts. Apart from the bank and post office, Primary Agriculture Co-operative Society (PACS) and Large Areas Multi Purpose Society (LAMPS) can also be used for wage payment. Moreover, self-help groups (SHGs) may also be considered for this purpose.

C. Worksite Facilities

Worksite facilities constitute the other entitlements to the workers, but their enforcement remains a challenge for the implementing agencies. Out of 23 worksites surveyed in Bihar, drinking water facility was available only in 12 cases, first aid in 10 cases; and the facilities for shelter and crèches each in only one case.

Table 4.21: Facilities at Worksite in Bihar

District	Total No. of Worksites	Drinking Water	Shade	Creche	First Aid
Gaya	3	1	1	0	0
Kishanganj	3	2	0	0	1
Nalanda	3	2	0	0	2
Rohtas	5	1	0	0	2
Samastipur	4	2	0	0	1
Supaul	5	4	0	1	4
Total	23	12	1	1	10

Note: Data based on worksite survey.

Similarly in Jharkhand, out of the 14 worksites surveyed, drinking water was available in only 7 (50 per cent) of the cases, first aid in 8, shelter in 5 cases, and crèche in only one case. It appears that the implementing agencies/agents have not taken the issue of providing four facilities at the worksites seriously, as providing these facilities do not require much efforts. Also, the implementing agencies/agents were not really sensitive to the issue of providing facilities for the workers at the worksites.

Table 4.22: Facilities at Worksite in Jharkhand

District	Total No. of Worksites	Drinking Water	Shade	Creche	First Aid
East Singhbhum	5	4	3	1	4
Pakur	4	1	0	0	1
Palamau	5	2	2	0	3
Total	14	7	5	1	8

Note: Data based on worksite survey.

Annexure 4.1: Employment Generation in Bihar (2007-08)

District	No. of BPL households	HHS That Demanded Employment	HHS Provided Employment	Col. 3 as % of Col. 1	Col. 3 as % of Col. 2	Individual	Women	Col. 7 as % of Col. 6
	1	2	3	4	5	6	7	8
<i>Phase I</i>								
ARARIA	3,04,793	1,09,902	1,09,887	36.06	99.99	27,515	35,431	128.77
AURANAGABAD	2,26,526	1,00,364	1,00,230	44.31	99.87	1,73,772	39,312	22.62
BHOJPUR	2,56,221	2,03,052	1,08,295	79.25	53.33	16,484	8206	49.78
DARBHANGA	3,71,134	1,70,120	1,70,120	45.84	100.00	1670	585	35.03
GAYA	3,60,848	1,42,046	1,42,046	39.36	100.00	27,936	9887	35.39
JAMUI	1,95,234	1,02,777	1,02,777	52.64	100.00	35,288	10,346	29.32
JEHANABAD	96,258	76,480	76,480	79.45	100.00	88,661	1,08,344	122.20
KAIMUR (BHABUA)	1,87,599	18,452	18,452	9.84	100.00	36,904	8118	22.00
KATI HAR	2,95,576	1,27,459	1,27,459	43.12	100.00	38,238	42,061	110.00
KISHANGANJ	2,62,574	59,880	59,880	22.80	100.00	31,946	10,379	32.49
LAKHISARAI	76,706	66,176	66,176	86.27	100.00	24,352	8079	33.18
MADHUBANI	6,62,909	1,50,631	1,50,631	22.72	100.00	1,23,973	48,576	39.18
MUNGER	1,36,619	92,451	92,451	67.67	100.00	40,985	12,828	31.30
MUZAFFARPUR	5,96,244	1,36,864	1,36,860	22.95	100.00	7481	38,321	512.24
NALANDA	3,30,943	1,33,031	1,33,031	40.20	100.00	4,95,800	1,50,242	30.30
NAWADA	1,93,116	81,917	81,917	42.42	100.00	1,25,115	41,287	33.00
PATNA	4,03,781	1,52,948	1,52,948	37.88	100.00	1,78,943	36,975	20.66
PURNIA	4,82,114	82,091	82,091	17.03	100.00	14,162	9076	64.09
ROHTAS	2,82,017	97,356	97,356	34.52	100.00	1,53,789	49,475	32.17
SAMASTIPUR	4,59,922	1,01,501	1,01,501	22.07	100.00	2,60,400	80,800	31.03
SHEOHAR	80,569	39,206	39,165	48.66	99.90	2445	13,932	569.82
SUPAUL	3,05,815	50,229	49,729	16.42	99.00	1,51,233	51,114	33.80
VAISHALI	4,70,215	1,22,317	1,22,317	26.01	100.00	23,588	8315	35.25
SUB-TOTAL	70,37,733	2417,250	2321,799	34.35	96.05	2080,680	8,21,689	39.49
ARWAL	80,274	46,563	46,563	58.01	100.00	32,541	7344	22.57
BANKA	2,06,944	1,06,350	1,05,376	51.39	99.08	56,692	17,875	31.53
BEGUSARAI	3,19,388	2,01,000	2,01,000	62.93	100.00	1,65,300	2480	1.50
BHAGALPUR	2,79,170	56,874	56,874	20.37	100.00	29,433	7197	24.45
BUXAR	1,70,332	23,120	23,120	13.57	100.00	0	6605	0!
GOPALGANJ	2,65,491	53,018	53,018	19.97	100.00	55,420	13,587	24.52
KHAGARIA	2,33,715	74,596	74,596	31.92	100.00	180	24,415	13563.8
MADHEPURA	2,35,255	93,341	93,341	39.68	100.00	93,341	30,803	33.00
PASHCHIM CHAMPARAN	4,80,386	2,07,379	2,07,379	43.17	100.00	4,75,938	7797	1.64
PURBI CHAMPARAN	5,94,443	2,63,878	2,63,878	44.39	100.00	1,02,013	22,308	21.87
SAHARSA	2,12,465	94,379	94,379	44.42	100.00	94,379	31,146	33.00
SARAN	4,05,443	2,15,134	2,15,134	53.06	100.00	26,999	5701	21.12
Sheikhpura	59,492	30,661	1,11,71	51.54	36.43	19,271	7615	39.52
SITAMARHI	4,44,998	37,700	37,700	8.47	100.00	990	398	40.20
SIWAN	3,15,461	54,302	54,302	17.21	100.00	41,029	1972	4.81
SUB-TOTAL	43,03,257	1558,295	1537,831	36.21	98.69	1193,526	1,87,243	15.69
TOTAL	113,40,990	3975,545	3859,630	35.05	97.08	3274,206	1008,932	30.81

Annexure 4.2: Distribution of Person-days of Employment in Bihar

Sl. No.	District	2007-08				% of Total
		SCs	STs	Others	Total	
<i>Phase I</i>						
1	ARARIA	26.23	22.28	21.03	22.30	30.00
2	AURANAGABAD	22.01		17.37	20.32	20.00
3	BHOJPUR	10.88		10.93	10.90	3.00
4	DARBHANGA	18.20		18.68	18.40	30.00
5	GAYA	21.87		22.07	21.94	34.00

6	JAMUI	34.07	50.76	31.78	34.21	35
7	JEHANABAD	27.87		29.16	28.39	25
8	KAIMUR (BHABUA)	54.62	42.80	55.63	54.63	21
9	KATIHAR	25.11	25.11	25.08	25.09	32
10	KISHANGANJ	18.16	17.79	20.92	20.15	19
11	LAKHISARAI	43.27	45.33	46.71	44.62	23
12	MADHUBANI	11.64	76.19	11.77	11.74	20
13	MUNGER	47.75	79.43	29.89	38.14	33
14	MUZAFFARPUR	49.99		50.00	50.00	28
15	NALANDA	17.31		19,226.42	30.05	32
16	NAWADA	32.18		32.18	32.20	27
17	PATNA	19.89		17.99	18.77	28
18	PURNIA	10.08	11.55	9.68	10.12	33
19	ROHTAS	11.03	19.39	17.49	14.24	32
20	SAMASTIPUR	23.14		23.13	23.14	29
21	SHEOHAR	73.26		83.75	80.00	34
22	SUPAUL	459.93		2123.96	1148.71	55
23	VAISHALI	17.83		21.23	19.20	4
	SUB-TOTAL	24.41	29.70	28.53	26.43	30
PHASE II						
24	ARWAL	45.84		37.30	42.00	15
25	BANKA	10.84	16.20	11.16	11.55	15
26	BEGUSARAI	7.36		8,28,000.00	16.99	17
27	BHAGALPUR	25.06	28.96	20.94	22.12	11
28	BUXAR	77.57		77.64	77.60	30
29	GOPALGANJ	23.38	14.63	21.30	22.14	11
30	KHAGARIA	3.45		7.79	5.19	22
31	MADHEPURA	29.92	11.36	28.34	28.36	32
32	PASHCHIM CHAMPARAN	11.51	65.77	12.24	12.80	23
33	PURBI CHAMPARAN	11.36	7.94	14.69	13.50	13
34	SAHARSA	33.23	87.05	32.56	33.24	33
35	SARAN	7.97	0.00	7.97	7.98	5
36	SHEIKHPURA	19.17		27.85	23.32	14
37	SITAMARHI	19.42		19.03	19.19	20
38	SIWAN	48.09	100.00	49.45	49.22	1
	SUB-OTAL	17.11	25.97	19.87	18.70	18
	TOTAL	21.68	28.67	24.73	23.31	26

Annexure 4.3: Employment Generation in Jharkhand (2007-08)

District	No of BPL House-holds	HHs That Deman-ded Employ-ment	HHs Pro-vided Employ-ment	Col. 3 as % of Col. 1	Col. 3 as % of Col. 2	Individua I	Women	Col % e
	1	2	3	4	5	6	7	
<i>Phase I</i>								
Bokaro	82,665	60,969	60,969	73.8	100.0	24,123	2363	
Chatra	1,04,880	59,783	59,783	57.0	100.0	61,421	20,531	3
Dhanbad	1,35,842	27,524	27,524	20.3	100.0	7195	2140	2
Dumka	1,25,701	76,255	76,255	60.7	100.0	6379	2436	3
Garhwa	1,07,215	61,789	61,789	57.6	100.0	1287	386	3
Giridih	1,76,855	82,536	82,536	46.7	100.0	82,536	18,106	2
Godda	1,17,719	55,530	55,530	47.2	100.0	58,230	19,114	3
Gumla	87,546	1,43,986	1,43,986	164.5	100.0	1,48,793	49,139	3
Hazaribagh	2,28,810	1,23,827	1,23,827	54.1	100.0	1,79,910	53,240	2
Jamtara	82,070	44,574	44,574	54.3	100.0	1836	62	
Koderma	51,282	24,356	24,356	47.5	100.0	2342	893	3
Latehar	53,417	79,197	79,197	148.3	100.0	8421	2442	2
Lohardaga	36,355	45,873	45,873	126.2	100.0	66,462	20,684	3
Pakur	90,007	70,178	70,178	78.0	100.0	18,972	7632	4
Palamau	1,90,158	1,17,876	1,17,876	62.0	100.0	9724	3103	3
Ranchi	2,07,187	2,09,929	2,09,819	101.3	99.9	56,603	0	
Sahebganj	1,25,342	92,831	92,831	74.1	100.0	5890	1884	3
Saraike-la Kharsawan	1,28,354	84,364	84,364	65.7	100.0	45,454	20,115	4
Simdega	71,635	54,410	54,410	76.0	100.0	38,139	12,191	3
West Singhbhum	1,52,560	39,930	39,930	26.2	100.0	60,693	31,560	5
Sub-total	23,55,600	15,55,717	1555607	66.0	100.0	8,84,410	2,68,021	3
<i>Phase II</i>								
Deoghar	81,262	34,761	34761	42.8	100.0	11,752	1715	1
East Singhbhum	1,17,918	89,500	89500	75.9	100.0	5600	2300	4
Sub-total	1,99,180	1,24,261	124261	62.4	100.0	17,352	4015	2
Total	25,54,780	16,79,978	1679868	65.8	100.0	9,01,762	2,72,036	3

Annexure 4.4: Distribution of Person-days of Employment in Jharkhand (2007-08)

Sl. No.	District	2007-08 SCs	STs	Others	Total	% of Women	Per Women Work
PHASE I							
1	BOKARO	33.23	34.13	28.02	31.39	39.81	322.47
2	CHATRA	65.07	64.97	56.24	61.61	31.50	56.50
3	DHANBAD	47.17	49.15	43.74	46.14	21.26	126.17
4	DUMKA	34.27	33.23	41.62	36.02	24.90	280.79
5	GARHWA	61.50	61.50	61.50	61.50	31.00	3051.81
6	GIRIDIH	30.34	39.61	51.81	41.56	67.06	127.03
7	GODDA	18.16	22.47	19.42	20.01	10.08	5.86
8	GUMLA	63.98	57.50	51.59	56.12	32.00	52.63
9	HAZARIBAGH	36.84	39.72	30.84	34.19	19.91	15.83
10	JAMTARA	47.52	44.36	42.87	44.32	8.86	2774.19
11	KODERMA	42.12	37.21	51.65	48.65	26.08	346.02
12	LATEHAR	49.10	49.11	49.10	49.12	24.96	397.62
13	LOHARDAGA	48.11	39.54	72.59	47.61	36.68	38.73
14	PAKUR	68.61	33.69	25.17	32.00	9.71	28.56
15	PALAMAU	38.77	51.06	37.40	39.57	29.97	450.53
16	RANCHI	50.28	52.48	50.52	51.55	13.24	
17	SAHEBGANJ	36.81	36.79	36.80	36.80	18.00	326.43
18	SARAIKELA KHARSAWAN	52.86	53.79	47.29	50.90	25.15	53.69
19	SIMDEGA	465.27	260.69	349.42	308.34	38.96	126.81
20	WEST SINGHBHUM	49.10	48.86	48.83	48.86	29.98	18.54
	SUB-TOTAL	47.43	49.52	43.80	46.80	26.86	70.97
PHASE II							
21	DEOGHAR	47.20	46.99	44.35	45.83	14.75	137.03
22	EAST SINGHBHUM	26.22	23.53	30.30	26.09	45.18	458.70
	SUB-TOTAL	37.04	26.88	35.22	31.61	32.84	321.30
	TOTAL	46.80	47.51	43.19	45.65	27.17	74.67

Chapter V

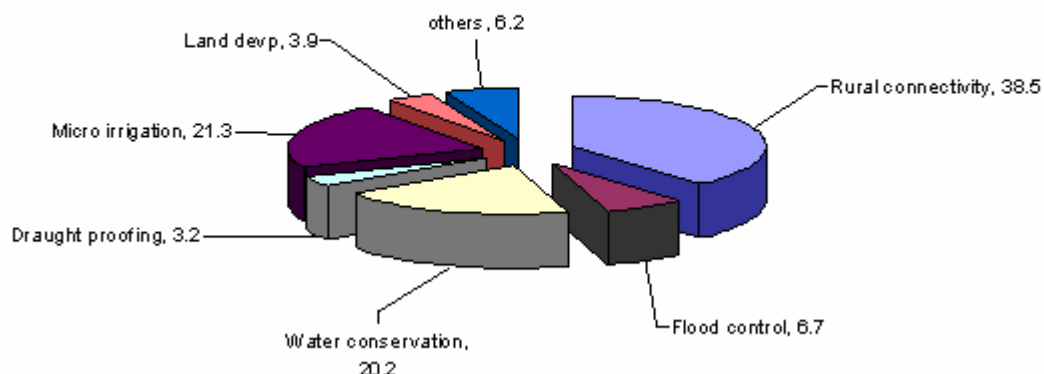
NATURE OF NREG WORKS

Schedule I of the NREGA [(operational guidelines (5.1.1)] lists the permissible works in order of priority. The State Rural Employment Guarantee Scheme (SREGS) has accordingly prepared a list of permissible works under the scheme. Schedule D, Section 9.1 of the Bihar Rural Employment Guarantee Scheme (BREGS), includes a tripartite division of schemes to be undertaken by the three-tiered PRIs. Similarly, the Jharkhand Rural Employment Guarantee Scheme (Chapter IV A) enlists the types of works to be undertaken under the NREGS but without a tripartite specification as done in the case of the BREGS.

Types of Works in Bihar

A total of 90,510 works (completed and ongoing) were undertaken in the state in 2007-08. The distribution of the works shows that the largest number (38.5 per cent) pertained to rural connectivity followed by the works of irrigation (21.3 per cent) and water conservation (20.2 per cent). The share of other works was as follows: flood control and protection (6.7 per cent), drought-proofing (3.2 per cent), land development (3.9 per cent), and others (6.2 per cent).

C. Figure 5.1: Types of Works Undertaken in Bihar 2007-08
(In %)



At the district level, there are pronounced variations in the types of works undertaken. Some of the districts including Araria, Katihar, Kishanganj,

Muzzaffarpur, Khagaria, Paschim Champaran, Purbi Champaran, Saharsa and Sitamarhi have given overwhelming priority to the works of rural connectivity. On the other hand, the districts of Gaya and Buxar have given priority to the works of water conservation and water harvesting, and the districts of Saran and Siwan to the works of irrigation. The nature of works undertaken at the district level suggests that most of the districts have given priority to the works as per the local requirement of the districts. For example, most of the districts that have accorded priority to rural connectivity face a problem of connectivity, which signifies a major infrastructural gap as the roads here are washed away frequently due to floods. On the other hand, districts that have accorded priority to water conservation and water harvesting generally have low irrigated areas and lack perennial sources of irrigation.

What emerges from the above is that the districts north of the Ganges are generally flood-prone and give preference to works of rural connectivity. On the other hand, the districts south of the Ganges have generally low irrigated areas and, hence, give preference to schemes of water harvesting and conservation. These districts generally also give preference to irrigation works. An important omission pertains to works of flood control. Even the flood-prone districts give preference to schemes of rural connectivity rather than those of flood control. There are two reasons for this:

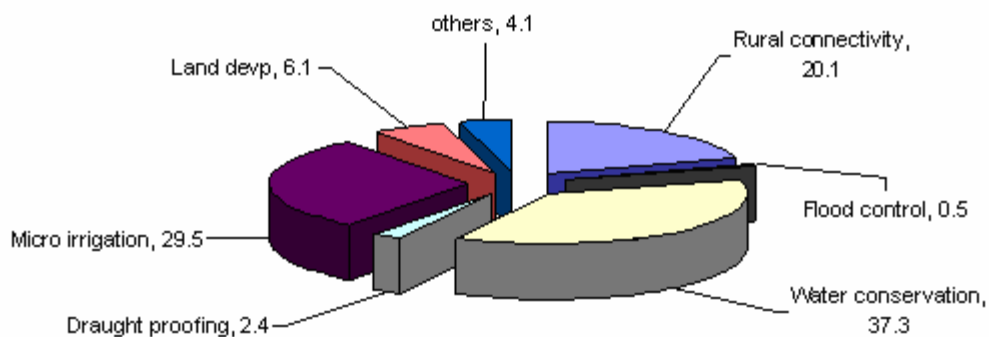
- (a) In most of the cases, floods are caused by the rivers originating from the Nepal side and flood control measures at the district level have limited utility.
- (b) There is a considerable lack of knowledge and training in flood control measures in these districts as a result of which local level officials are unable to plan flood control measures under the NREGA. In addition, traditional flood control methods entail a high cost and material-intensive work, which makes their implementation under the NREGA unfeasible.

Therefore, it is suggested that some training in flood control measures and district level planning in water conservation needs to be imparted to the concerned district officials.

Types of Works in Jharkhand

A total of 1,59,057 works (completed and ongoing) were undertaken in the state in 2007-08. The distribution of the works shows that the largest number pertained to works of water conservation and harvesting followed by those of irrigation, both of which together constituted two-thirds of the total works undertaken in the state. Works of rural connectivity constituted one-fifth of the total while the other works included those of land development (6.1 per cent) and drought-proofing (2.4 per cent).

**Figure 5.2: Types of Works Undertaken in Jharkhand 2007-08
(In %)**



The distribution of the types of works at the district level shows pronounced variations. Some of the districts in the state have accorded priority to water conservation and harvesting, some to irrigation works, and some others to rural connectivity. For example, the districts of Giridih, Jamatara, Latehar, Lohardaga, Pakur, Saraikela and Simdega have given priority to works of water conservation and harvesting, while Chatara, Palamau and Ranchi have given priority to irrigation works, comprising mostly ponds and wells. On the other hand, the districts of Sahebganj and West Singhbhum have given priority to works of rural connectivity.

The nature of works undertaken in Jharkhand suggests that most of the districts have given priority to schemes of water conservation and irrigation.

It is to be noted that the total irrigated area in Jharkhand is very low (9.3 per cent) and due to the type of geographical terrain in the state, ponds and wells are the most suitable for irrigation facilities. Therefore, in consonance with the local conditions and requirements, most of the districts have given priority to water-conservation/harvesting and irrigation works.

As regards the execution of water conservation works, the district of Pakur has done well. One of the schemes called 'Jalkund', entailed the construction of a multipurpose water pond of 15" x 15" x 10" at a cost of about Rs. 15,000. Apart from facilitating water conservation and harvesting, the pond can also be used for providing drinking water to animals, for growing vegetables on the homestead land, and also for fishery. The pond was constructed without the use of any material components as free boulders were used to prepare the ramp and side wall, where required.

Some of the check dams constructed in Pakur were also found to be very useful as they helped in recharging the ground water. It was found that the construction of the check dams had caused the water to overflow from one well at one place, which used to be normally dry earlier.

Selection of Works

The NREGA envisages that PRIs would play a crucial role in the selection of the schemes. There are clear procedural provisions (NREGA Operational guidelines 2006, 5.2 & 5.3, pp. 22-24) in the scheme in this regard. In the case of Bihar where PRIs have been functioning, the scheme is selected by the PRIs and duly endorsed through a sanction from the concerned technical and administrative agency. Nevertheless, the following problems have been observed in the selection of the scheme.

In most of the cases, the schemes at the Gram Panchayat levels are being selected by the *Mukhia* (head of the GP), sometimes in consultation with the ward members, but without calling the meeting of the Gram Sabha. And even if a meeting of the Gram Sabha is called, the *Mukhia* and his supporters dominate the proceedings and the meeting just becomes a formality. If some people want to discuss issues that have not been pre-decided by the *Mukhia*, they are either not allowed to air their views or their voices have no say in the selection of the scheme.

Secondly, the selection of schemes at the Panchayat Samiti and Zila Parishad levels becomes an occasion for the clash of interests, sometimes between officials and PRI representatives, and sometimes among the representatives themselves. Interestingly, however, with women now occupying 50 per cent of posts of *Zila Parishad* Chairpersons and *Pramukhs*, the selection of works has become a less problematic issue than it was in 2006.

The problem of the selection of the scheme in Jharkhand, however, is serious and needs immediate rectification. The problem exists at several levels. Firstly, in most of the cases, the schemes are selected by the local and middle level bureaucracy. In fact, in a large number of cases, the DPC decides and distributes the schemes to the Chief Programme Officer (BDO), who transfers the tasks to the lower officials.

Secondly, even though it is mandatory for at least 50 per cent of the schemes to be selected by the Gram Sabha, this is not being done. In a large number of cases, the scheme has already been decided by the bureaucracy and is merely placed before the Gram Sabha for formal approval.

Thirdly, there may be a problem in the selection of the site, that is, the location of the work and the potential beneficiaries. In a number of cases, the schemes are just awarded to the individual beneficiary. Sometimes ponds are constructed on land owned by an individual without the officials even bothering to carry out a cost-benefit analysis of the project. In Palamau district especially, it has been seen that a number of big ponds, constructed at a cost of more than Rs. 7,00,000, have simply been given to individuals as they are built on the latter's land, without realization of the realizing overall economic and social costs of the project.

Annexure 5.1
District-wise Types of Works in Progress and Completed in 2007-08 in Bihar (%)

District	Rural Connectivity	Flood Control and Protection	Water Conservation & Harvesting	Drought Proofing	Micro Irrigation Works	Land Development	Others	Total	Total no of schemes
ARARIA	84.6	5.1	3.0	0.7	5.5	1.1	0.1	100.0	2157
AURANAGABAD	44.6	3.2	2.3	0.9	47.0	1.8	0.2	100.0	3887
BHOJPUR	48.3	0.6	11.6	3.1	30.7	3.1	2.7	100.0	1799

DARBHANGA	25.2	10.5	14.9	0.0	11.3	10.0	28.1	100.0	3483
GAYA	31.4	0.0	50.0	0.0	0.0	0.0	18.6	100.0	7221
JAMUI	28.6	1.5	31.7	1.5	22.0	2.2	12.5	100.0	3707
JEHANABAD	16.8	0.0	13.9	9.9	26.2	5.8	27.4	100.0	1932
KAIMUR (BHABUA)	24.6	0.0	11.1	5.3	47.4	8.2	3.4	100.0	1626
KATI HAR	91.5	0.2	0.9	0.4	0.2	0.0	6.7	100.0	1678
KISHANGANJ	89.2	3.0	5.3	1.6	0.6	0.4	0.0	100.0	704
LAKHISARAI	25.9	6.8	25.1	1.8	35.3	5.2	0.0	100.0	2258
MADHUBANI	34.0	12.0	7.2	4.1	28.5	5.9	8.3	100.0	3872
MUNGER	20.5	11.6	12.6	5.8	39.9	8.2	1.4	100.0	2688
MUZAFFARPUR	94.4	0.9	1.4	0.0	3.3	0.0	0.0	100.0	2817
NALANDA	16.2	16.3	37.7	2.4	25.2	2.0	0.2	100.0	5654
NAWADA	30.3	2.7	32.0	4.7	29.0	0.2	1.1	100.0	5696
PATNA	44.8	7.8	19.9	1.8	22.3	1.7	1.7	100.0	4412
PURNIA	39.8	0.0	21.2	5.9	27.9	0.0	5.2	100.0	387
ROHTAS	17.4	4.7	21.1	12.5	41.9	2.4	0.0	100.0	2794
SAMASTIPUR	22.0	28.6	31.6	3.8	7.9	6.1	0.0	100.0	2913
SHEOHAR	76.8	2.3	2.6	0.0	14.6	3.6	0.0	100.0	725
SUPAUL	25.8	0.3	73.9	0.0	0.0	0.0	0.0	100.0	1928
VAISHALI	40.7	11.9	11.0	2.0	13.4	6.6	14.5	100.0	3324
Sub Total (Phase-I)	36.9	6.6	23.1	2.7	21.0	3.1	6.7	100.0	67662
ARWAL	24.6	0.0	11.1	5.3	47.4	8.2	3.4	100.0	1626
BANKA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
BEGUSARAI	13.2	3.8	3.6	25.4	19.2	34.7	0.0	100.0	3290
BHAGALPUR	44.3	7.6	23.3	0.1	23.4	0.0	1.3	100.0	790
BUXAR	33.0	0.0	50.3	0.0	0.0	0.0	16.7	100.0	1416
GOPALGANJ	43.3	3.0	40.3	0.1	12.6	0.6	0.2	100.0	1542
KHAGARIA	96.8	0.3	0.0	0.0	1.1	1.7	0.0	100.0	349
MADHEPURA	44.3	1.6	2.1	2.7	11.2	0.0	38.1	100.0	1683
PASHCHIM CHAMPARAN	68.2	6.6	5.7	0.3	18.7	0.4	0.0	100.0	1939
PURBI CHAMPARAN	62.3	15.7	4.2	1.0	13.9	1.0	2.0	100.0	2993
SAHARSA	86.7	0.0	1.0	1.4	6.2	1.3	3.3	100.0	968
SARAN	7.8	29.7	8.1	0.0	54.4	0.0	0.0	100.0	1625
Sheikhpura	37.6	3.8	19.9	0.1	32.7	4.6	1.3	100.0	1357
SITAMARHI	68.6	3.9	4.6	0.1	21.5	0.3	1.0	100.0	2641
SIWAN	8.3	23.7	5.1	0.0	63.0	0.0	0.0	100.0	629
Sub Total (Phase-II)	43.5	7.2	11.6	4.5	22.3	6.2	4.7	100.0	22848
Total	38.5	6.7	20.2	3.2	21.3	3.9	6.2	100.0	90510

Fourthly, in a large number of cases, the design of the work, its cost and its other construction-related aspects are decided in a centralized manner. The centralized design of the work is then imposed on the implementing agencies without taking into consideration factors like variation in soil conditions, requirement, and usage pattern, all of which vary locally.

Implementation of the Scheme

The NREGA (operational guidelines 2006, 5.2, pp. 22-23) delineates the implementing agencies. In the case of Bihar, as given in the guidelines, 50 per cent of the works are being implemented by the Gram Panchayat; another 30 percent by the Panchayat Samiti; and the rest 20 per cent mostly by the Zila Parishad. However, in Jharkhand, 50 per cent of the works that

have to be implemented by the Gram Panchayat, are being implemented by the agents selected by the Gram Sabha, under the influence of the local bureaucracy. The rest 50 per cent of the works in the state are generally implemented by the line departments.

Annexure 5.2
District-wise Types of Works in Progress and Completed in 2007-08 in Jharkhand (%)

District	Rural Connectivity	Flood Control and Protection	Water Conservation	Drought Proofing	Micro Irrigation Works	Land Development	Any Other activity	Total	Total no of Schemes
BOKARO	21.5	0.0	32.8	12.4	32.7	0.6	0.0	100.0	4590
CHATRA	14.3	1.2	23.3	0.7	60.5	0.0	0.0	100.0	3865
DHANBAD	14.0	2.1	44.3	8.9	28.6	2.1	0.0	100.0	3301
DUMKA	23.9	0.0	17.2	1.0	43.5	14.5	0.0	100.0	5909
GARHWA	37.9	0.0	23.6	1.4	37.0	0.0	0.0	100.0	2910
GIRIDIH	16.3	0.0	80.2	1.2	0.0	0.0	2.3	100.0	4266
GODDA	19.6	0.0	40.3	2.2	14.1	16.5	7.3	100.0	6885
GUMLA	13.6	0.8	37.7	0.7	36.9	10.3	0.0	100.0	27203
HAZARIBAGH	7.8	0.3	48.5	3.7	38.5	1.2	0.0	100.0	6308
JAMTARA	31.4	0.0	50.7	0.8	11.4	5.5	0.3	100.0	2236
KODERMA	8.1	0.0	32.4	0.0	41.7	17.8	0.0	100.0	2074
LATEHAR	26.6	0.0	73.4	0.0	0.0	0.0	0.0	100.0	3744
LOHARDAGA	13.6	0.0	60.1	1.5	8.5	5.9	10.3	100.0	5905
PAKUR	5.6	0.0	89.1	1.4	3.9	0.0	0.0	100.0	11573
PALAMU	27.4	0.0	17.0	0.0	55.5	0.1	0.0	100.0	11317
RANCHI	20.1	0.0	11.3	3.4	56.8	7.7	0.8	100.0	10194
SAHEBGANJ	47.2	2.2	21.7	1.2	25.3	0.9	1.6	100.0	4115
SARAIKELA									
KHARSAWAN	24.6	0.5	57.1	5.5	7.1	0.8	4.3	100.0	4127
SIMDEGA	37.4	0.0	57.1	0.4	1.1	0.0	4.0	100.0	5707
WEST SINGHBHUM	44.7	0.0	36.8	0.2	13.4	4.8	0.0	100.0	8956
Sub Total (Phase-I)	21.0	0.3	41.7	1.9	28.6	5.3	1.3	100.0	135185
DEOGHAR	12.7	0.7	7.7	5.5	37.3	12.0	24.2	100.0	19560
EAST SINGHBUM	25.3	4.4	34.0	3.5	24.4	6.3	2.0	100.0	4312
Sub Total (Phase-II)	15.0	1.3	12.4	5.1	35.0	10.9	20.2	100.0	23872
Total	20.1	0.5	37.3	2.4	29.5	6.1	4.1	100.0	159057

Chapter VI

IMPACT ASSESSMENT

The primary objective of the Act is to provide minimum income security through guaranteed wage employment to every rural household. But while providing income security, it also aims to create community assets, reduce distress migration from rural areas, invigorate village and community life by strengthening local democracy (PRIs) and facilitate a decentralized development process. These multiple objectives of the Act make it different from the 'cash transfer scheme'¹¹.

This chapter assesses the impact of the NREGA/NREGS in terms of its main objectives. Since the scheme is only two years old, the impact assessment is done more in terms of certain trends. The impact assessment is twofold: one at the household level, which examines the impact on beneficiaries, and two, at the community level, which studies the impact in terms of macro factors.

Under the household level impact, the focus on income security through employment generation, and income security on livelihood conditions, that is, in terms of the trends in consumption and expenditure, and reduction in the debt and migration of the beneficiary households. Further, the household level impact has been analysed in the case of 102 beneficiaries in Bihar, who were revisited. The advantage of the revisiting the beneficiary is not available in the case of Jharkhand as the 2006 study was confined only to Bihar. The macro level impact, on the other hand, has been assessed in terms of the community assets (rural infrastructure), local wage levels and the agrarian economy. Lastly, the impacts on the democratic process, PRIs, social mobilization, and civic and community life have also been assessed.

A. Household Level Impact: The primary objective of this Act is to provide minimum livelihood security to the rural households through 100 days of guaranteed wage employment. Although the Act does not discriminate between the beneficiaries, yet it is assumed that the households lacking alternative sources of employment opportunities would generally come for

¹¹ The protagonists of the cash-transfer-scheme raise the point of transaction costs of the delivery and build the case for cash-transfer as a better income security measure.

wage employment under the NREGA. The second important issue, which is closely related to the first issue, is the number of employment days provided to the households. For example, if the households facing extreme distressed conditions are not provided with 100 days of employment, the impact of the scheme would hardly be substantial. Moreover, the substance of the impact depends, to a great extent, on the conditions of the households and the number of days of employment provided. Therefore, in order to understand the impact on the households, it is necessary to understand the types of households that have benefited so far and the number of employment days provided to them.

Selection of Beneficiaries

Table 6.1 shows the caste-, land- and occupation-wise distribution of beneficiaries in both Bihar and Jharkhand. It shows that the majority of the beneficiaries in both states belong to the most vulnerable and marginalized groups.

Table 6.1: Beneficiary HHs (in %)

	Bihar	Jharkhand
<i>Caste</i>		
Upper Caste	5.76	4.29
OBC-I	15.13	7.43
OBC-II	21.45	11.83
SC	53.39	27.85
ST	3.99	48.17
Others	0.28	0.42
<i>Land</i>		
Landless	80.41	29.95
> 0.5 acres	13.65	28.38
0.5 to 1 acres	3.16	20.63
1 to 2.5 acres	2.04	13.72
2.5 to 5 acres	0.37	6.18
5 to 10 acres	0.37	1.15
Above 10 acres	0.00	0.00
<i>Occupation</i>		
Self-employed in agriculture	5.01	21.88
Casual labourers in agriculture	77.99	40.21
Casual labourers in non-agriculture	15.60	34.45
Self-employed in small business	1.02	2.20
Self-employed in large business/Salaried	0.09	0.73
Others	0.28	0.52
Total	100.00	100.00

In Bihar, SCs and OBCs constituted about 90 per cent of the beneficiaries. In terms of the land category, more than 94 per cent of the beneficiaries were either landless or nearly landless (those owning > 0.5 acres). Similarly, casual labourers in agriculture and non-agriculture constituted about 95 per cent of the beneficiaries. What emerges from this is that more than 90 per cent of the beneficiaries in Bihar belonged to SCs and OBCs, who are invariably landless or nearly landless, and most of them are casual labourers in agriculture and non-agriculture.

Similarly, in Jharkhand, most of the beneficiaries belong to the most marginalized and vulnerable sections. However, the beneficiary groups in Jharkhand are more diverse than they are in Bihar. Although as in Bihar, in Jharkhand too, STs, SCs, and OBCs constituted about 95 per cent of the beneficiaries, yet in terms of the land category, more than 90 per cent of the beneficiaries belonged to the landless households or households owning up to 2.5 acres of land. What is to be noted is that the number of beneficiaries decreases consistently with the increase in the size of the landholding. Another interesting departure from Bihar in Jharkhand is that while in Bihar, the number of beneficiaries from the self-employed category in agriculture was insignificant, this category constituted more than one-fifth of the beneficiaries in Jharkhand. Thus, both in Bihar and Jharkhand, most of the beneficiaries belonged to the most vulnerable and deserving households. Therefore, the scheme is well-targeted in the sense that it succeeds in reaching the most disadvantaged and deserving households.

Employment Days Assured: The second important issue to be considered is the number of employment days provided to the households. While a beneficiary household worked for 31 days on an average (survey-based figure) in Bihar, the corresponding figure was only 21 days, on an average, in Jharkhand. The number of days of employment provided under the scheme *per se* is not sufficient to have any significant impact on the livelihood conditions of the beneficiaries. Nevertheless, if taken as a supplement or safety net, some significant trends are noticeable in this regard.

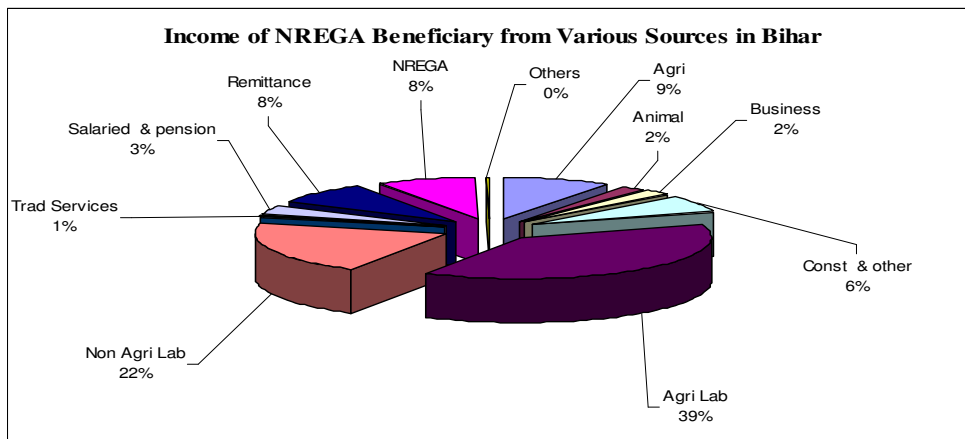
Income Generation: The average annual income of the beneficiary households is quite low in both Bihar and Jharkhand. While the average annual income of a beneficiary household is Rs. 19,707 in Bihar, it is Rs. 23,414 in Jharkhand. Most of the beneficiaries earn a major part of their income from their labour in agriculture and non-agriculture in Bihar, and through labour in non-agriculture or through own agriculture in Jharkhand.

Table 6.2: Income of NREGA Beneficiaries from Various Sources in Bihar (%)

	Agri- culture	Ani- mals	Busi- ness	Cons- tructio n and Other	Agri- cultural Labour	Non- agri- cultural Labour	Tradi- tional Services	Salaried and Pension	Remi- ttance	NREGA	Others
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
D. C aste											
Upper Caste	26.70	4.68	0.00	15.46	18.43	9.79	3.37	0.00	18.27	3.29	0.00
OBC-I	12.12	2.67	3.82	8.87	29.32	20.70	0.44	8.53	8.37	5.14	0.00
OBC-II	25.95	2.34	5.31	3.57	24.70	16.11	0.64	2.88	13.08	4.22	1.20
SC	3.42	1.92	1.04	4.95	46.34	21.70	0.61	0.87	7.16	11.74	0.25
ST	0.00	0.00	0.00	0.00	64.51	32.75	0.00	0.00	0.00	2.75	0.00
E. Land Catego ry											
Landless	0.03	1.45	1.75	6.64	46.28	22.23	0.70	3.96	7.67	8.90	0.37
Marginal	25.45	4.05	3.16	4.53	22.51	19.65	0.21	2.53	10.09	7.81	0.00
Small	63.97	4.01	6.75	10.8	0.94	0.00	2.25	0.90	8.06	2.32	0.00
Medium	-	-	-	-	-	-	-	-	-	-	-
Total	9.18	2.24	2.32	6.24	38.26	20.71	0.63	3.47	8.33	8.37	0.26

Out of the average income of a beneficiary household in Bihar, labour in agriculture constitutes 38 per cent of the total earnings, non-agriculture labour 21 per cent, own agriculture 9 per cent, and other sources account for the rest.

Figure 6.1

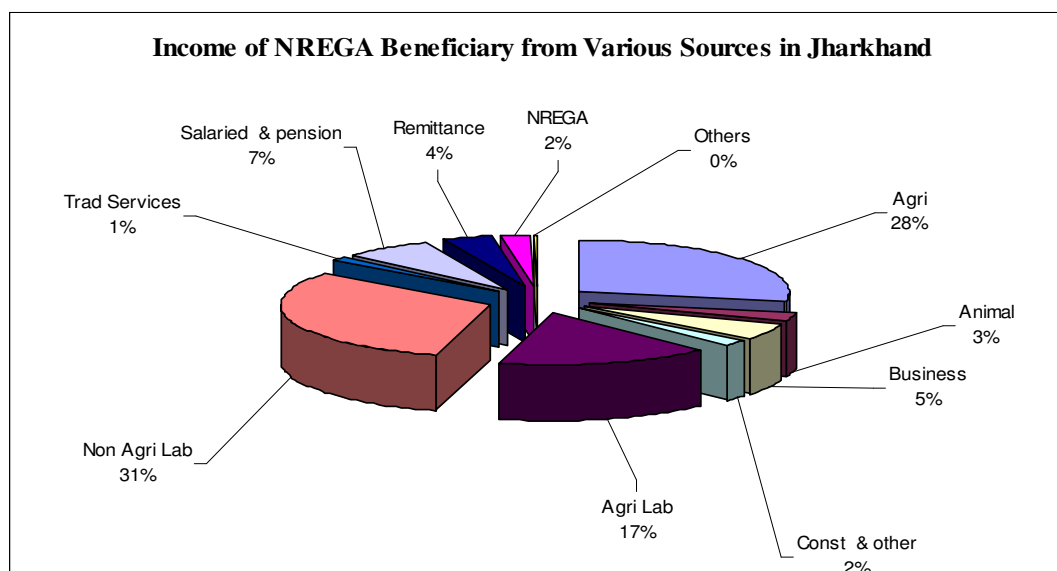


In Jharkhand, out of the average income of a beneficiary household, the share of own agriculture is 28 per cent, that of labour in non-agriculture, 31 per cent, and that of labour in agriculture 17 per cent, and the balance that of other sources, while other sources account for the rest.

Table 6.3: Income of NREGA Beneficiaries from Various Sources
in Jharkhand (%)

Jharkhand											
	Agri- culture	Animals	Busi- ness	Cons- truction and Others	Agri- cultural Labour	Non- agricul- -tural Labour	Tradi- tional Services	Salaried and Pension	Remi- ttance	NREGA	Others
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
F. Caste											
Upper Caste	28.02	2.37	6.17	0.00	5.71	48.20	1.42	6.05	1.78	0.27	0.00
OBC-I	15.99	5.31	5.57	11.86	8.31	19.01	9.21	6.52	16.67	1.55	0.00
OBC-II	30.33	3.03	5.13	0.00	16.80	33.11	0.00	2.57	6.16	2.36	0.51
SC	15.50	1.84	0.00	2.29	27.43	35.81	0.00	14.62	1.54	0.97	0.00
ST	34.84	2.61	6.96	1.04	16.92	25.99	0.00	5.17	2.29	3.91	0.25
G. Land Category											
Landless	1.04	1.35	4.43	3.46	27.54	52.46	0.00	6.62	2.22	0.89	0.00
Marginal	29.69	1.57	6.58	2.16	15.37	27.54	1.87	8.40	3.34	3.18	0.29
Small	52.56	7.69	1.82	0.00	5.83	18.08	0.00	4.10	7.89	2.02	0.00
Medium	68.64	8.67	0.00	0.00	16.85	4.46	0.00	0.00	0.00	1.39	0.00
Total	27.71	2.72	5.12	2.05	16.59	31.28	1.07	7.08	3.80	2.41	0.17

Figure 6.2



**Contribution of NREGA Income to Total Income of the Households
Bihar**

The earnings from the NREGA contribute 8 per cent of the total income of the beneficiary households in Bihar. However, the contribution of the NREGA income to the total income of the beneficiary households varies across caste and land categories. It contributes more to the income of the households of SCs, OBC-I landless and marginal landholders. Table 6.3 shows the contribution of the NREGA income to the total income of the beneficiaries across caste and land categories.

Table 6.4: Contribution of NREGA to Total Income of the Household in Bihar

Category	Total Income Rs.)	Income from NREGA (Rs.)	NREGA Income as % of the Total
Caste			
Upper Caste	23,718	780	3.29
OBC-I	25,570	1314	5.14
OBC-II	21,508	907	4.22
SC	16,894	1983	11.74
ST	19,810	544	2.74
Land			
Landless	18,178	1619	8.90

Marginal	23,253	1817	7.81
Small	38,103	885	2.31
Medium	-	-	-
Total	19,707	1649	8.37

The income from the NREGA contributes relatively more to the income of SCs, OBC-I category, the landless and nearly landless households, primarily because of the following two reasons:

- (a) The average annual income of these households is quite low.
- (b) The SC, landless and nearly landless beneficiary households worked for a higher number of days than the other households.

Jharkhand

The NREGA contributes 2.41 per cent of the total annual income of a beneficiary household in Jharkhand, which varies across caste and land categories. It contributes about 4 per cent of the income of the ST beneficiaries, 2.36 per cent of that of persons in the OBC-II category, 3.18 per cent of that of the marginal workers, and 2 per cent of the income of the small landholders. Table 6.4 shows the contribution of the NREGA income to the total income of the beneficiaries across caste and land categories in Jharkhand.

Table 6.5: Contribution of NREGA Income to the Total Income of Beneficiary Households in Jharkhand

Category	Total Annual Income of HH (Rs.)	Income from NREGA (Rs.)	NREGA Income as % of the Total %
<i>Caste</i>			
Upper Caste	33,706	91	0.27
OBC-I	25,853	400	1.55
OBC-II	22,475	531	2.36
SC	19,496	190	0.97
ST	22,989	900	3.91
<i>Land Category</i>			
Landless	20,465	183	0.89
Marginal	21,982	699	3.18
Small	37,080	750	2.02
Medium	37,393	518	1.39
Total	23,414	564	2.41

However, while the income from the NREGA contributes the maximum to the incomes of the SC and landless households in Bihar, it contributes the maximum to the income of STs and marginal landholders in Jharkhand. The average number of person-days of the STs and marginal landholders was greater than that of the other categories. A comparison between Bihar, which is a relatively low-income state, and Jharkhand, which has higher income levels than Bihar, shows that the share of the income contribution of the NREGA is much higher in a relatively poor state as compared to a relatively better-off state.

Distribution of Expenditure from NREGS Earnings:

Even though the earnings from NREGA are not very substantial, yet the manner in which the beneficiary uses this amount is important in understanding the role of the NREGA in meeting some necessities of the households. Most of the beneficiaries are poor or very poor and, therefore, any additional earning they get goes towards first meeting their basic necessities.

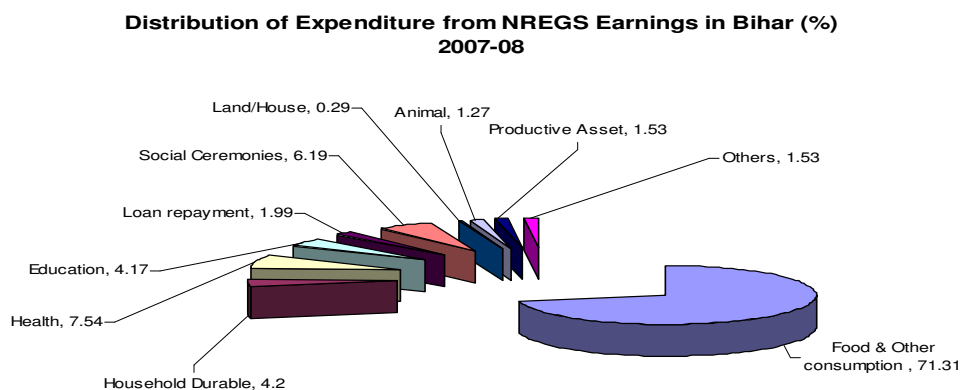
In both Bihar and Jharkhand, the NREGA beneficiaries used a substantial part of their earnings on food and daily consumption items first, and after that on healthcare, social ceremonies and education of the children. Debt repayment also formed a component of the expenditure met from the NREGA earnings. Table 6.6 shows the distribution of expenditure from NREGA earnings of the beneficiary households in Bihar.

Table 6.6: Distribution of Expenditure from NREGS Earnings in Bihar (%)

	Food and Other Consumption	Household Durables	Health-care	Education	Loan Repayment	Social Ceremonies	Land/House	Animals	Productive Asset	Others
Cast e	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Upper Caste	89.16	1.93	1.20	0.48	1.45	5.78	0.00	0.00	0.00	0.00
OBC-I	68.13	11.70	6.88	2.97	0.00	7.81	0.00	0.00	1.25	1.25
OBC-II	68.69	6.07	6.21	4.57	0.00	10.35	1.43	0.00	1.35	1.35
SC	75.68	2.48	7.83	2.84	5.06	3.51	0.00	0.86	0.88	0.88
ST	66.24	4.02	9.04	5.73	1.25	6.76	0.41	2.09	2.22	2.22
Land Category										
Landless	80.69	4.54	3.15	2.72	4.79	3.24	0.00	0.87	0.00	0.00
Marginal	67.78	4.63	8.27	4.70	1.29	6.79	0.46	1.68	2.19	2.19

Small	70.81	1.55	12.14	4.27	0.42	8.74	0.00	0.00	1.04	1.04
Medium	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	71.31	4.20	7.54	4.17	1.99	6.19	0.29	1.27	1.53	1.53

Figure 6.3



Food and other daily consumption items formed a major component of the expenditure from NREGA earnings. Expenditure on medical care and treatment of diseases, and on social ceremonies, follows the expenditure incurred on food and other items of daily consumption. Expenditure on household durables like utensils, cots, quilts, etc., and on the education of the children formed another important component of the expenditure met from the NREGA earnings.

The trend appears to be similar in terms of the caste and land categories. Nevertheless, SCs and upper caste beneficiaries spent more on food and daily consumption items than this. Although the landless, and marginal and small landholders among the beneficiaries spent a substantial share on food and other daily consumption items, yet the marginal and small landholders spent relatively more on health and social ceremonies than the landless beneficiaries.

Similarly, in Jharkhand, expenditure on food and other daily consumption items constituted the largest component of the expenditure incurred from the NREGA earnings. Expenditure on healthcare, social ceremonies and the

purchase of durable assets constituted another important component of the expenditure met through the NREGA earnings, as shown in Table 6.7.

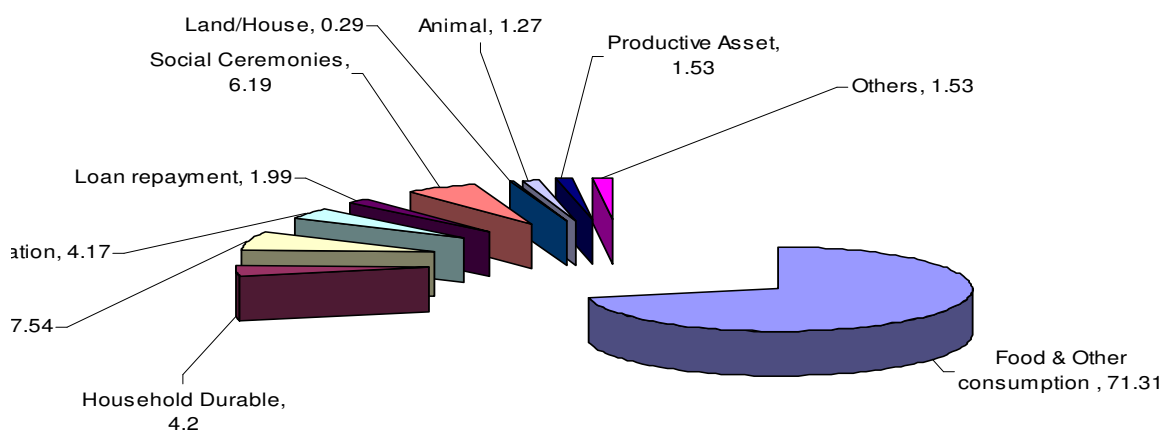
Table 6.7: Distribution of Expenditure from NREGS Earnings in Jharkhand (%)

	Food and Other consumption	Household Durables	Health-care	Education	Loan repayment	Social Ceremonies	Land/ House	Animals	Productive Asset	Others
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Caste										
Upper Caste	89.16	1.93	1.20	0.48	1.45	5.78	0.00	0.00	0.00	0.00
OBC-I	68.13	11.70	6.88	2.97	0.00	7.81	0.00	0.00	1.25	1.25
OBC-II	68.69	6.07	6.21	4.57	0.00	10.35	1.43	0.00	1.35	1.35
SC	75.68	2.48	7.83	2.84	5.06	3.51	0.00	0.86	0.88	0.88
ST	66.24	4.02	9.04	5.73	1.25	6.76	0.41	2.09	2.22	2.22
Land Category										
Landless	80.69	4.54	3.15	2.72	4.79	3.24	0.00	0.87	0.00	0.00
Marginal	67.78	4.63	8.27	4.70	1.29	6.79	0.46	1.68	2.19	2.19
Small	70.81	1.55	12.1	4.27	0.42	8.74	0.00	0.00	1.04	1.04
Medium	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	71.31	4.20	7.54	4.17	1.99	6.19	0.29	1.27	1.53	1.53

In terms of the caste and land categories too, the trend is almost uniform. All the beneficiaries used a substantial part of their NREGA earnings to purchase food and daily consumption items. Persons in the OBC-I category, however, spent relatively more on household durables and persons in the OBC-II category on social ceremonies. Similarly, small landholders spent relatively more on healthcare and marginal landholders on healthcare and social ceremonies.

Figure 6.4:

**Distribution of Expenditure from NREGS Earnings in Jharkhand (%)
2007-08**



Reduction in the Indebtedness of the Households

Table 6.8 shows the conditions of indebtedness of the beneficiary households in Bihar and the changes seen in these conditions between 2006 and 2008. While in 2006, 38 per cent of these households were indebted, in 2008, only 31.37 per cent of them remained indebted. In other words, the ratio of indebted households declined by about seven percentage points in two years.

Table 6.8: Reduction in the Indebtedness of Beneficiary Households in Bihar (in %)

Caste	2006	2008
Upper Caste	0.00	
OBC-I	22.22	34.29
OBC-II	25.00	47.06
SC	35.82	25.53
ST	50.00	n.a.
Land Category		
Landless	32.74	25.64
Marginal	48.98	47.62
Small	66.67	66.67
Medium	50.00	n.a.
Total	38.32	31.37

The decline in the indebtedness of the beneficiary households may not necessarily be attributed to the NREGA. Nevertheless, there are some strong reasons to believe that the NREGA has contributed decisively in bringing down this indebtedness. These reasons are:

- a. Most of these households take loans for a short period and for meeting expenditures on food, medicine, clothes, social ceremonies, etc. Moreover, the average amount of money they borrow is not very high.
- b. Most of these households borrow money during the lean season for the above purposes.

Since the NREGA provides employment during the lean season, the beneficiaries refrain from borrowing as they already have some earnings in hand. Secondly, the distribution of the expenditure of earnings from the NREGA suggests that most of the expenditure is incurred on food and items of daily consumption, medicine and healthcare, and social ceremonies, for which they normally borrow money. Therefore, the NREGA has had some positive effects on bringing down the indebtedness of the beneficiary households by:

- a. providing earnings during the lean season; and
- b. facilitating the use of earnings to meet the financial requirements for which they generally borrow money.

The most important aspect, however, is the potential of the scheme to rid the beneficiaries of their debt burden. For example, the average indebtedness of a beneficiary household is Rs. 2.771 in Bihar and Rs. 1.241 in Jharkhand. Assuming that the NREGA beneficiaries can get employment for up to 60-70 days per year, even though they are entitled to get 100 days, and get the minimum wages for the work, they can repay the entire loan amount in one year.

However, it appears that the reduction in the ratio of the indebted households in Bihar is primarily because of the fact that those households were able to earn money during the lean season when they normally run out of money to buy even food and daily consumption items, and have to resort to borrowing of money, which leads to their indebtedness.

Impact on Migration

Migration is governed not only by the lack of employment opportunities but also by the prospects of betterment and opportunity of better earning sources. However, migration of the landless, unskilled and manual wage earners is generally driven by the lack of sufficient employment opportunities in the local areas. Sometimes, the migration is seasonal and undertaken purely to meet the basic financial necessities during the lean season of the month.

The trend of migration from the beneficiary households in both Bihar and Jharkhand appears to be more of a distressed seasonal migration wherein one member from the household migrates to earn for the entire family during the season. In fact, seasonal migration dominates the migration trends in both Bihar and Jharkhand.

An examination of the migration trends among the beneficiary households in Bihar suggests that there has been a decline in migration since the advent of the NREGA, though this decline is not very substantial. About 35 per cent of the beneficiary households consisted of migrants in 2006, but this figure came down to 23 per cent in 2008, signifying a decline of about 12 percentage points in two years, which is not insignificant.

Table 6.9: Reduction in Migration of Beneficiaries

<i>Caste</i>	2006	2008
OBC-I	55.56	31.43
OBC-II	45.83	17.65
SC	25.37	19.15
ST	30.00	n.a.
<i>Land Category</i>		
Landless	32.74	19.23
Marginal	40.82	33.33
Small	33.33	33.33
Total	34.73	22.55

This decline could have been much more substantial had the beneficiaries been provided the sufficient number of employment days in the year, particularly during the lean season. Unfortunately, the average number of

person-days of employment provided was low, less than even one-third of what could be provided and what the workers are entitled to as well.



Due to the low number of person-days of employment provided during the lean season, the people continued migrating in search of wage employment. For example, the picture given here shows the rush of migrants at the Pakur railway station, who are going to the Malda district of West Bengal where they are expecting to get employment in agriculture (Garma Paddy cultivation).

In some villages of Gaya district, the migrant families had stopped going outside after getting wage employment under NREGA in 2006. However, in 2007, they were not provided employment under NREGA. Nevertheless, they stayed at their homes in the expectation that they would get some employment. Taking advantage of the unemployment and lack of opportunities, some petty traders engaged these workers in the making of incense stick on a very low wage rate.

The most important issue, however, is that the minimum wages offered under the NREGA are very competitive with the wage rate they earn as migrant workers. Table 6.10 shows the average earning of a migrant worker in different occupations at the destination and compares it with the prescribed minimum wages under the NREGA and even the actual wages

earned by them. If we deduct the cost of living/staying outside the home for a migrant worker, then the surplus earned by an NREGA worker would be greater than that of the migrant workers.

Table 6.10: Average daily wage of a migrant worker at destination In Rs.

Types of Work	Bihar	Jharkhand	Overall
Agricultural work	99	na	99
Construction work	99	96	98
Factory work	98	100	98
Household work	100	58	86
Public work	150	120	135
Daily wage	96	108	98
Other	105	100	103
Total	99	101	99

Moreover, there is a social cost involved in migration. The migrant member feels alienated at the place of migration and his family members suffer equally at home in his absence. There are cases of different types of exploitation of migrant workers. More recently, other states have been seen to react negatively against the migrant workers of Bihar and Jharkhand, which robs migration of any charm for the worker except to save himself and his family from starvation and destitution. Discussions with the migrant workers revealed that except for a lucky few, most of them had had some unpleasant experiences as migrants.

Impact at the Macro-Level

Two years is a relatively short period to assess the macro-level impacts vis-à-vis the objectives of the Act. Nonetheless, some elementary assessment can be made on the basis of the implementation status and observations made in the field. The macro-level impacts can be assessed under the following sub-headings:

Community Assets: About one lakh works in Bihar and about one-and-a-half lakh works in Jharkhand (including both work-in-progress and completed works) were undertaken in 2007-08. These numbers are very impressive. Another important issue is the fact that works entailing various types of

irrigation, water conservation, land development, etc. were undertaken during the period.

More than the number, however, the type, quality and utility of the works is important. Even though the impact of these works has not been very substantial so far, yet there are indications that they have the potential to fill some critical gaps in rural infrastructure.

For example, works of water conservation and harvesting, irrigation and rural connectivity constitute the bulk of the schemes undertaken in both the states. Both the states have very low irrigated areas, low density of roads, and particularly in Jharkhand, plenty of land available for development. The nature of the works undertaken in various districts of these two states suggests that the NREGA can contribute significantly to the creation of much-needed infrastructure. For example, most of the districts of north Bihar face the problem of rural connectivity as frequent floods wash away the roads. Incidentally, a number of districts in North Bihar have given preference to works of rural connectivity. On the other hand, the districts south of the Ganges including those in Jharkhand, which were earlier parts of Bihar, have given preference to works of water conservation and harvesting, as a large part of the districts in these areas have low irrigated areas and face the problem of water shortage.

A number of works constructed under the NREGA show that these assets have proved to be of immense use. Although concrete statistical evidence in terms of the contribution of these assets is not available at this stage, yet what is learnt through observation is that both the schemes of water conservation and harvesting, and rural connectivity are proving to be very useful in both the states. We visited some of the areas, which were unirrigated earlier. Because of the irrigation facilities created under the NREGA, these areas have now become irrigated. For instance, some check dams were constructed on the low edge of the hill in Pakur district, which has helped in the recharging of water in the downhill area.

Gaps in Assets Creation: Even though the selection of the types of works largely follows the deficit in rural infrastructure, yet the problem of appropriate selection of the site and the work, and the maintenance and upkeep of the assets created remains. For example, in the Littipara block of Pakur district, a very grand project was conceived and designed. The idea was to construct a check dam at the gully point of the hillock and to arrest the water there for two purposes—one was to use it for recharging of the ground water, and another was to revive the dead distributory canal down the hillock. More interestingly, the idea was to use free boulders and stones available on the hillock to arrest the water at the gully. But when it started raining, the check dam was either partially washed away or unable to store the water. In that case, none of the purposes was served, as it neither led to recharging of the groundwater, nor did it revive the old distributory canal.

In Palamau district of Jharkhand, a big pond was constructed at a cost of about Rs. 8,00,000, on the farmland of a villager, who had 40 acres of land. But the pond was at the lower level of the land and even if it could store water, it would not be very helpful in facilitating self-irrigation. What we learnt was that the farmer wanted to use the pond for fishing purposes.

The quality of the assets was generally found to be poor, though not necessarily because of the low cost or material-labour component. In most of the cases, sufficient technical supervision was lacking and workers were left to execute the works in whatever manner they could. The problem of technical supervision was more acute wherein construction was left entirely to the beneficiaries without providing them technical support. In a number of cases, particularly, the responsibility of the construction of 'Jalkunds', that is, small ponds and wells was left entirely to the beneficiary households. In such cases, technical support, advice and knowledge were not provided for the proper utilization of the works.

Chapter VII

SOME CRITICAL ISSUES OF IMPLEMENTATION

Even though there are indications that the scheme has had a significant impact on the beneficiary households, its overall implementation remains far from satisfactory. The most important issue is the reach of the scheme and the number of days of employment provided, apart from the equally important issues of creation of durable community assets. There are certainly some obvious gaps in implementation, of both quantitative and qualitative dimensions. The following important issues need to be considered to ensure the effective implementation of the scheme in the two states.

Quality Awareness

Notwithstanding the fact that 94.49 per cent of the rural households in Bihar and 96.20 per cent in Jharkhand were aware of the scheme, most of the households were unaware of details of the provisions and entitlements under the Act such as the issuance of job cards, prospecting for jobs, unemployment allowance, minimum wages, and other entitlements.

Since the Gram Pradhan, other informed village persons and fellow workers are the main sources of information for the villagers, the awareness campaign should positively involve these people. The role of modern media and government officials remains relatively insignificant. Therefore, efforts to utilize these sources more efficiently wherever feasible should also be stepped up.

Job Card Registration and Distribution

In spite of the fact that the scheme has been under implementation for more than two years in most of the districts, the registration and distribution of job cards remains quite low. If the socio-economic characteristics of the beneficiary households are any indicators in this regard, then at least all the Below the Poverty Line (BPL) households are potential job-seekers in these two states. However, the number of households that have so far been

provided employment constitute 35 per cent of the BPL families in Bihar and 66 per cent of the BPL families in Jharkhand.

Jobs Provided

There are two dimensions of the jobs provided: one is the coverage, that is, the number of households that have been provided employment, while the second is the number of person-days of employment provided to each household. As mentioned in the previous section, the coverage of the households in terms of those provided employment is not only one-third of the number of BPL families in Bihar and two-third in Jharkhand, implying that it is imperative to first increase the coverage of the scheme. The most important issue, however, is the number of employment days provided to the applicant household. In both the states, the average number of employment days provided is not only below the national average but much below that of some better performing districts of the country. The phenomenon of low number of person-days of employment is seen not only in one or two districts but across all districts and socio-economic groups.

Wage Payment

The issue of wage payment remains satisfactory, at least in terms of the wage paid being closer to the statutory minimum of Rs. 60. However, the frequency of wage payment through the daily wage system remains a matter of concern. The payment, though in consonance with the scheduled rate, is generally made only on paper rather than in actuality. An implication of this is the increasing acceptability/practice of daily wage system, which hinders the transparency and accountability aspects of the implementation of the scheme.

The payment of wages through bank accounts and the post office has started in selected districts, yet this is still to be universalized for the entire area under the scheme. Another important issue that needs to be considered is that of the name of the account holder. If there are two workers in one household, including one male and one female worker, the account should be opened in the names of both the beneficiaries and not just in the name of the

head of the household. Albeit, this is an onerous task, as the number of accounts to be opened would increase significantly.

Facilities at the Worksites

The basic hurdle is the insensitivity of the implementing agencies/agents towards the above-mentioned provisions. Meanwhile, there is also need to provide better facilities at the worksites. Although the number of worksites with drinking water facilities has increased, yet there is hardly any provision of other facilities like first aid, crèches and shelter for the workers despite the fact that providing these facilities is not very difficult in terms of either cost or availability. What is needed is a little sensitization of the implementing agencies towards this issue.

Nature of Schemes

The schemes undertaken broadly match with the priorities enlisted in the Act and guidelines. However, there are certain areas like forest and land development, which have been largely overlooked. In the case of Bihar, social forestry is an important area whereas in Jharkhand, land development is very important. In this regard, the DPC and PO, in consultation with the state government, should be given the liberty to change the order of the priorities as per the gaps seen in both the area and the district.

Selection of Schemes and Their Implementation

The selection of scheme is much more problematic in Jharkhand than in Bihar, partly because of the absence of formal PRIs in the former. While the main problem in Bihar is that the scheme is usually selected and approved without calling the meeting of the Gram Sabha, in Jharkhand, the schemes are generally chosen by the local officials. Sometimes, even the DPC decides and finalizes the scheme, as has been seen in earlier government programmes.

There are also complaints that while selecting the schemes, the PRI representatives have a tendency to accord benefits to the people who are supposedly their voters. The more important issue, however, is that of the selection of implementing agencies and agents, which is again much more

problematic in Jharkhand than in Bihar. In the absence of formal PRIs in Jharkhand, the implementing task has been given mostly to the concerned department in 50 per cent of the cases, that is, in the case of the schemes of the Panchayat Samiti and Zila Parishad. The balance 50 per cent of the schemes, which are to be implemented by the GP, are being given to individuals, who are reportedly chosen by the Aam Sabha. However, the implementing agents are generally chosen by the POs in connivance with some important village persons. Even the Aam Sabha meeting, if it is held, has only a limited role.

Another serious problem in Jharkhand is that of the construction of public works on the lands owned by private individuals without realization of the social cost. The purpose of the NREGS is to first create community assets, and then, to also provide individual benefits to the poor and families of the SCs and STs, who have very low earnings and assets base. However, this provision is often misused as some of the schemes, even those entailing a substantial cost like the construction of a pond at a cost of more than Rs. 7 lakh, are undertaken on private plots for the exclusive benefit of the concerned household rather than for a majority of the beneficiaries. The appropriate selection of sites is thus very important for realization of the community benefits of the scheme.

Payment of Unemployment Allowances

There is not a single case of the payment of unemployment allowance in either of the two states. This gives the impression that all the households are provided jobs within 15 days of demanding them. However, in most of the cases, jobs are being provided only on the basis of supply. There is also a problem of the non-issuance of receipts for job applications. Since a substantial part of the seekers of wage employment in both the states are illiterate, they do not submit written applications for jobs. Taking advantage of this situation, the implementing officials do not issue receipts for job applications, most of which are demanded orally, thus allowing them to get away without paying unemployment allowance.

There is a general reservation among the implementing agencies against the payment of unemployment allowance. This is so because the cost of the unemployment allowance is to be borne by the state government and the payment of unemployment allowance is considered to be the result of an administrative failure on the part of the implementing agencies/officials.

Recruitment of Personnel/Staffs

Bihar has almost completed the process of recruitment and except for a few, most of the recruited personnel, namely, POs, technical assistants, and *rozgar sevaks* have joined the services and are in the field. Jharkhand, however, has yet to complete the process as the recruitment in the state is being undertaken through multiple agencies/channels at various levels. This has unnecessarily delayed the process, and simultaneously, there have also been complaints about the lack of transparency in the selection of beneficiaries.

Training and Capacity Building

In Bihar, the state government has been unable to provide sufficient training due to the lack of institutions. The existing institutions for imparting training to PRIs are practically defunct and lack regular staff and faculty members for conducting the training programme. In the absence of such training facilities, the state government is trying to provide some training at the block/district level. However, this process remains unstructured, the training capsules are not well designed, and the entire exercise seems more like a casual meeting type than an effective training module. The training process also remains neglected in Jharkhand. The matter is also complicated by the lack of adequate recruitments. An equally important issue pertains to the need for capacity building of the PRI representatives in Bihar, most of whom are first-timers with little exposure to public life.

Migration

Although there has been some decline in the incidences of migration from the beneficiary households, seasonal and distressed migration continues to take

place. This is primarily because of the non-availability of jobs when needed, and the lack of awareness about the details of the provisions and entitlements under the scheme among the potential beneficiaries of the scheme. The migrant population moves in teams during the lean seasons and the congregation of these teams at railway platforms during their departure for migration across various districts in the two states is a common sight. Efforts to educate these migrants about the benefits of the NREGS at the place of departure itself is likely to have an impact and persuade the migrants to stay back in their home states and avail of the benefits of the NREGS.

Chapter VIII

RECOMMENDATIONS AND POLICY SUGGESTIONS

On the basis of the critical issues and gaps in implementation identified in this report, the following recommendations are being made to facilitate better and effective implementation of the scheme in the two states:

1. **Creation of Quality Awareness:** A quality awareness campaign with a focus on details of the provisions and entitlement of the scheme should be launched. Ensuring the effective involvement of the GP, villagers and fellow workers in generating quality awareness is more important than distributing and putting up banners, posters and wall paintings. This would also reduce the administrative expenditure on the scheme.
2. **Social Targeting of Awareness and Information Campaign:** The awareness campaign should target the expected beneficiary groups. For example, the seasonal migrants, who are found moving in teams and whose presence is very conspicuous on railway platforms during the lean season in the two states, need to be educated about the benefits of working under NREGS. They also need to be assured that jobs would be provided to them as and when they demand.
3. **Rozgar Mela:** This is slated to be organized in every Panchayat for the purpose of job card registration and distribution, and for opening the bank accounts of the beneficiaries. This could also be used to generate awareness and information. The Rozgar Mela can be organized coincidentally with the weekly *haats* (markets), which are common features in the rural areas.
4. **Camp and Mission Mode Approach:** The process of job card registration and distribution is still going on. It needs to be completed through a mission approach in camp mode. The camp mode of job card registration and distribution is not only free from complaints but also has the added advantages of transparency, and expeditious delivery.

5. **Increase in the Number of Employment Days:** There is also a need for quarterly monitoring of the number of employment days generated to ensure that the scheme does not fall behind the national average and also to facilitate the maximum number of days of employment.
6. **Wage Payment and Entitlement to Workers:** It is strongly recommended that in order to ensure the early completion of the scheme, the mode of payment is universalized to wage payment through the bank and post office accounts, which, in any case, is being practised but not consistently. Bank accounts can be opened along with the distribution of the job card through the camp mode. However, efforts should be made to ensure that the women beneficiaries do not lose control over their earnings as in some cases, bank and post office accounts are opened only in the names of the male members of the households. The wage payment should necessarily be based on the scheduled task rate, as after the upward revision of the wage rate, the payment of the statutory minimum of Rs. 60 can be ensured. This is also needed to facilitate transparency and accountability in the execution of the works. The sensitization of officials towards the entitlements of the workers is another issue that needs attention.
7. **Selection of the Schemes:** The selection of schemes requires the effective involvement of the GP in Bihar and the Aam Sabha in Jharkhand wherein formal PRIs are not working. In addition, the worksites for the scheme should be selected on the basis of the number of households to be benefited, cost-benefit analysis, and the application of the scheme in the particular area where it is being implemented. (This issue is much more problematic and necessitates greater attention in Jharkhand than in Bihar).
8. **Diversification of the Schemes:** The nature of works needs to be made more exhaustive and the order of priority of their implementation needs to be made more flexible as different districts and areas have different requirements. Local initiatives should be designed as per the

local requirements rather than rigidly following the list of works and the existing order of priority of implementation. Nevertheless, there is a need for monetary and other restrictions. In addition, schemes that create the maximum number of employment days should be preferred and strictly be implemented.

9. **Physical Monitoring, Quality Control, and Utility of Assets Created and the Potential Beneficiaries:** These issues need to be addressed unconditionally and without allowing for any compromises.
10. **Clear Policy towards Community Control and Maintenance of the Assets:** This is another area that needs to be taken care of before sanctioning the selection and execution of the works.
11. **A Utility Matrix of the Scheme:** A model utility matrix is given at the end of this chapter to be followed for the selection of the scheme and its execution. (See utility score card, Annexure – I).
12. **Innovative Schemes/Practices:** Innovative schemes and practices need to be encouraged in order to ensure more efficient and timely execution of the works under the scheme.
13. **Dovetailing with Other Schemes:** This is also required to ensure the creation of more useful and durable community assets.
14. **Personnel:** There is an urgent need to complete the recruitment process in Jharkhand and ensure that all the erstwhile POs/BDOs have handed over charge to the new POs in Bihar. In the case of Jharkhand, the BDO needs to be relieved of the responsibilities of the Chief Programme Officer and the NREGA programme officers need to be entrusted fully with the task.
15. **Rigorous Training and Capacity Building:** Such training and capacity building is particularly required for the officials at the grassroots level and the PRI representatives. The training should be more structured and capsule-based and have a component of exposure to the best delivering district or state.

16. **Strengthening of the Accountability, Transparency and Vigilance Aspects of the Implementation:** Apart from strengthening the existing provision of transparency, accountability and vigilance, an accountability provision for the PRI representatives also needs to be included in the guidelines. Moreover, the punitive provision needs to be made more comprehensive to ensure its effective functioning.
17. **Joint Workshops of Bureaucracy and PRIs:** These workshops should be organized to sensitize the bureaucrats and PRI functionaries towards their joint responsibilities and to inculcate mutual understanding, trust and a co-operative attitude wherever it is lacking.
18. **Institutionalization of PRIs in Bihar:** It has been observed that a majority of the new PRI representatives are first-timers in public life. There is thus a need for a more focused and longer orientation-cum-training programme for the PRI representatives. The Panchayat Secretary or Gram Assistants should sit in the Panchayat office routinely for a fixed time, preferably early in the morning and in the evening on at least alternate days initially.
19. **Outsourcing of Some of the Tasks and Services:** If local resources are not adequate to meet the requirement, then some of the tasks and services can be outsourced on the basis of certain principles and rules. For example, tasks such as data maintenance, preparation of the labour budget, preparation of estimates, etc., can be outsourced if there are no in-house facilities to carry out these activities.
19. **Data Management:** This continues to be a problematic area and the management of data thus needs to be streamlined at all levels.

Apart from the above recommendations and suggestions, the following changes in terms of general policy also need to be brought in at the suitable levels:

1. **Project Mapping:** All the possible schemes, which can be undertaken under the NREGS within a span of five years may be mapped in advance. On the basis of project mapping, a shelf of schemes and their

estimates may be prepared, and administrative and technical sanctions may be given in advance. This should be a one-time affair to be undertaken within five years and should be completed as soon as possible, preferably within six months and the rest of the stipulated time should be utilized for implementation of the project. The services of retired engineers, Junior Engineers (JEs) and non-governmental agencies can be hired for project mapping and preparation of the estimates. Efforts should also be made to effectively involve PRIS in the process. This would facilitate implementation of schemes to fulfil the demand for jobs, restrict duplication of any work, eliminate chances of complaints in the selection of schemes, and help in the designing and implementation of more useful and durable schemes. In some of the districts, only the schemes of the Zila Parishad have been implemented while in some other districts, only the schemes of the Panchayat Samiti are being implemented, and in still others, only schemes initiated by the Gram Panchayat have been implemented.

- 2. Labour Cell and Merger of Schemes:** The exhaustion of all *katcha* works within the next four to five years is likely to create difficulties in sustaining the NREGS under the existing framework. Moreover, *katcha* works in some areas have a seasonal character and cannot be continued throughout the year whereas the demand for jobs may remain for most part of the year, at least in Bihar. Further, the NREGS is part of a law and will continue to be implemented unless another Act of Parliament annuls or changes it.

A possible option for meeting the above eventuality could be in the introduction of a mechanism whereby the labour requirements for all the government's works can be met by engaging only the NREGS workers. It may also be suggested that all the development works of the government should hire a fixed percentage of the NREGS workers.

A labour cell may be set up or an officer appointed at the appropriate level and assigned the task of co-ordinating to with the various government departments for providing labourers for the works to be executed under these departments.

- 3. Skills Generating Works/Projects:** The NREGS should develop a mechanism to provide work that encourages the development of skills with the objective of allowing a fixed percentage of labourers to graduate from their existing status of unskilled manual workers to that of skilled workers, and from casual to regular workers.
- 4. Evaluation and Ranking of Districts, Blocks and Panchayats:** The performance of districts, blocks and panchayats needs to be evaluated as a composite indicator of implementation, and may be ranked accordingly. The composite indicator may consist of both quantitative and qualitative factors.
- 5. Incentives to Officials/PRI:** The best-performing officials should be encouraged through incentives while the reluctant performers or non-performers may be punished. This is because there are no credible explanations for the sharp variations in implementation of the scheme that exist across various districts, blocks and panchayats, and these variations need to be eliminated by ensuring a uniform standard of performance among all the programme officials and PRIs.

Chapter IX

NREGA AS PERCEIVED BY THE BENEFICIARIES

It is important to examine how the beneficiaries perceive the NREGA. We asked the beneficiaries about their views on the NREGA and how they would like to change it for their betterment. About 55 per cent of the beneficiaries in Bihar accepted that the NREGA had improved their economic conditions while about 61 per cent revealed that they were happy with the scheme.

Interestingly, the views of the beneficiaries did not change with their caste and landholding positions. For example, 68 per cent of the upper caste, 58 per cent of the SC and 51 per cent of OBC-I category beneficiaries accepted that the NREGA had improved their economic condition. Similarly, 78 per cent of the upper castes, 66 per cent of the ST, 64 per cent of the SC and 65 per cent of the OBC-II category beneficiaries were happy with the scheme in their respective states. A similar trend was also seen in terms of the views of the beneficiaries across land category, as seen in Table 9.1.

Table 9.1: Perception of Beneficiaries about the NREGA in Bihar

<i>Appreciate the NREGA</i>			<i>But Want More</i>	
Caste/Land Category	Improved Economic Condition	Happy with NREGA	More Than 100 Days	Every Individual
Upper Caste	66.7	77.8	100.0	100.0
OBC-I	51.2	51.2	98.8	98.8
OBC-II	45.2	64.5	100.0	100.0
SC	58.3	64.1	98.1	97.6
ST	33.3	66.7	100.0	100.0
Landless	53.5	58.2	98.0	97.7
Marginal	59.7	72.7	100.0	100.0
Small	50.0	50.0	100.0	100.0
Medium	n.a.	n.a.	n.a.	n.a.
Total	54.9	61.4	98.5	98.2

Most of the beneficiaries, however, made the following two demands:

- (a) The number of employment days provided per household should be increased; and
- (b) Every individual should be entitled to employment guarantee.

For example, 98.5 per cent of the beneficiary households demanded that they should be provided more than 100 days of employment. This demand was almost uniform across caste and land categories. Similarly, 98.2 per cent of the beneficiaries demanded that every individual should be entitled to guaranteed employment. Again, the demand is uniform across caste and land categories.

In Jharkhand, the perception of the beneficiaries was equally strong: 63 per cent of the beneficiaries said that the NREGA had improved their economic conditions, 76 per cent were also happy with the NREGA. This view was almost uniformly shared by the beneficiaries across all caste and land categories, with only minor variations.

Table 9.2: Perception of Beneficiaries about the NREGA in Jharkhand

Caste/Land Category	Appreciate the NREGA		But Want More	
	Improved Economic Condition	Happy with NREGA	More Than 100 Days	Every Individual
Upper Caste	63.64	68.18	81.82	100.00
OBC-I	57.89	73.68	94.74	94.74
OBC-II	47.62	57.14	100.00	95.24
SC	61.11	81.48	96.30	100.00
ST	66.98	78.30	99.06	100.00
Landless	65.57	75.41	88.52	100.00
Marginal	62.22	75.56	99.26	99.26
Small	56.52	78.26	100.00	95.65
Medium	66.67	66.67	100.00	100.00
Total	62.61	75.68	96.40	99.10

Similarly, 96 per cent of the beneficiaries demanded that they should be provided more than 100 days of employment and 99 per cent insisted that every individual should be entitled to guaranteed employment. This demand was almost uniform across caste and land groups.

Thus, both in Bihar and Jharkhand, a majority of the beneficiaries were happy with the NREGA and found it to have helped in improving their economic conditions. But more than that, an overwhelming number of the beneficiaries demanded that its coverage dimensions should be increased. This overwhelming demand for guaranteed wage employment in the two states has strong roots in the socio-economic conditions prevalent in these states, which are partly revealed by the economic and livelihood conditions of the beneficiary households.