

Role of Panchayati Raj institutions for inclusive growth under Mahatma Gandhi NREGS – areview in Kerala context

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Abstract

Objective: The paper attempts to illustrate the role of Panchayati Raj Institutions for inclusive growth in rural Kerala with the implementation of Mahatma Gandhi National Employment Guarantee Scheme.

Methodology/Statistical Analysis: The paper was based on the data obtained from the Management Information System of the Scheme (MIS) of Mahatma Gandhi NREGS. This MIS is the first transaction based real time system for any public work programme in the country that is available in the public domain. We can easily access the real time data for the analysis purpose. Simple Average and Percentage of some determinants related with the scheme in four financial years are used to explain the subject matter of Inclusive Growth.

Findings: The Mahatma Gandhi NREGS, is one of the successful schemes of Rural Development in India, has worked quite effectively in the state of Kerala. As per the Mahatma Gandhi NREG Act, Panchayati Raj Institutions have pivotal role in the planning and implementation of the scheme resulted to Local Economic Development and Inclusive Growth. It was also noticed that it has benefitted in better cooperation among people and reduced the socio-economic gaps among them. Kerala State is renowned as the champion of decentralised planning; this experience effectively established the decentralised framework of planning of Mahatma Gandhi NREGS.

Application: It is found that the implementation of the scheme has improved the overall standard of living of the rural households, especially marginalised sections of the society.

Keywords: Panchayati Raj Institutions, Amendment, Grama Sabha, Flagship, Inclusive Growth, Local Economic Development, Marginalised Sections.

1. Introduction

The Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS), the flagship programme of Government of India implemented by the Ministry of Rural Development (MoRD) [1]. This scheme is introduced based on an Act enacted by the Parliament on 5th September 2005, aimed at improving livelihood security of the rural poor and inclusive growth with the primary objective of ensuring wage employment, at least 100 days in a financial year per household. Its secondary objectives are generating productive assets, local economic development, empowering rural women, reducing rural – urban migration, strengthening Panchayati Raj Institutions (PRIs) and protecting the environment through improved natural resource management leading to sustainable agriculture and rural livelihood.

Inclusive growth is a concept which advances equitable opportunities for economic participants during the process of economic growth with benefits incurred by every section of society, with affirmative action for SCs, STs, OBCs, minorities and women [2,3]. Mahatma Gandhi NREGA is a unique Act which recognizes the legitimate role of PRIs in addressing their fundamental duty as expressed in the 73rd constitutional Amendment of providing “economic development and social justice” in their area [4]. The recognition of PRIs as the principal agency for implementation of Mahatma Gandhi NREGS has opened up enormous opportunities for developmental decentralisation and inclusive growth with the support of rural public. According to the amendment of the Act passed on 3rd January 2014, when the selection of people for creating individual assets, a prioritization should be made.

This will result to improve the participation and asset base of marginalised sections in the scheme, especially Scheduled Cast, Scheduled Tribes, BPL households, women headed households, differentially abled headed households, beneficiaries of land reforms etc.,. In particular, individuals belonging to these disadvantaged groups should be provided special opportunities to develop their skills and participate in the growth process.

The Mahatma Gandhi NREGS is centrally sponsored and the broad guidelines are centrally designed, yet the interpretation and implementation of the scheme is subject to wide regional variation owing to variations in local level governance capacity, governance structure and regional political economy. Kerala Government and Mahatma Gandhi NREGS State Mission regularly give instruction to PRIs for the betterment of planning and implementation of the Scheme. The prevailed strong Panchayati Raj System in Kerala helps to attain the inclusive growth by giving employment to marginalised sections of the society. The three tier PRIs in Kerala have their own role in planning and implementation of the scheme. Planning of works and preparation of Labour Budget for the scheme starts from the grass root level institution Grama Sabha and consolidated in all levels of PRIs viz., Grama Panchayat, Block Panchayat and District Panchayat. Each tier can propose additional works and include it in to the Action Plan. But cent percentage implementation is vested with Grama Panchayat. Grama Panchayat Secretary is designated as the Registration Officer. He is in charge of issuing Job Cards to the applicant with due enquiry. In block panchayat Block Programme Officer in the rank of Block Development Officer is in charge of the scheme. In Districts, District Collector has designated as District Programme Co-ordinator for the scheme.

2. Methodology

The study is based on secondary data which was collected from the Management Information System (MIS) of the Mahatma Gandhi NREGS. This MIS is the first transaction based real time system for any public work programme in the country that is available in the public domain. The architecture of the MIS is constructed on the requirements of the legal process of the Act. All physical and financial performance data is available in public domain. The parameters are monitored by MIS include, workers' entitlement data and documents such as registration, job cards, muster rolls, shelf of approved and sanctioned works, works under execution, measurement, employment provided, financial indicators including wage payment. MIS also enables tracking of funds to ensure that the funds being released through the State Fund are according to financial norms [5]. We can easily access the real time data for the analysis purpose. The data related with the various aspects of Mahatma Gandhi NREGS in the state of Kerala is collected for the study purpose. Simple Average and Percentage of the collected determinants related with the scheme in four financial years are used to explain the subject matter of Inclusive Growth. The actual situation on the ground was assessed through personal observation.

3. Results and Discussion

In Kerala, the Mahatma Gandhi NREGS was launched during 2006 in rural areas of Palakkad and Wayanad districts. In April 2007 it extended to rural areas of Idukki and Kasaragodu Districts. From April 2008 onwards that scheme extended to all other districts of Kerala. In Kerala, the implementation of the Mahatma Gandhi NREGS has been carried out through the Grama Panchayats. All tiers of Panchayati Raj Institutions have been contributing in planning process of the scheme.

The scheme has a decentralised system planning; Kerala could easily adopt it with the help of the strong PRIs. More over grass root level organisations like Kudumbashree also have a role in the planning process of the scheme in Kerala. The preparation of the labour budget and identification of works is starting from the Neighbour Hood Groups of the Kudumbashree. The paper attempts to analyse the performance of the scheme in Kerala for attaining inclusive growth with the help of the strong PRIs during 2012-13 to 2015-16.

3.1. Performance of Mahatma Gandhi NREGS in Kerala during 2012-13 to 2015-16

Table 1 shows the performance of Mahatma Gandhi NREGS in rural Kerala during 2012-13 to 2015-16 based on the MIS of the scheme.

Table 1. Performance of Mahatma Gandhi NREGS in Kerala

S. No.	Item	FY2012-13	FY 2013-14	FY 2014-15	FY 2015-16	Average of four Years
1	Approved Labour Budget[In Lakhs]	833.69	875.57	761.4	713.00	795.92
2	Person days Generated[In Lakhs]	837.74	866.03	588.72	741.74	758.56
3	% of Total LB	100.49	98.91	77.32	104.03	95.19
4	Wages (₹ In Lakhs)	1,31,667.89	1,20,293.39	1,49,777.95	1,40,219.65	135489.72
5	Material and skilled Wages (₹ In Lakhs)	4,667.96	3,743.33	4,845.29	3,295.66	4138.06
6	Total Adm Expenditure (₹ in Lakhs.)	5,320.06	6,004.25	7,049.39	4,834.46	5802.04
7	Total Exp (₹. in Lakhs.)	1,41,655.91	1,30,040.97	1,61,672.64	1,48,349.77	145429.82
8	Material (%)	3.42	3.02	3.13	2.3	2.97
9	Total Households Worked [In Lakhs]	15.26	15.24	13.8	15.06	14.84
10	Total Individuals Worked [In Lakhs]	16.65	16.43	15.13	16.93	16.29
11	Average days of employment provided per Household	54.89	56.83	42.65	49.26	50.91
12	Average Wage rate per day per person(₹)	163.67	180.16	214.28	231.82	197.48
13	SC person days % as of total person days	15.85	16.88	17.48	17.4	16.90
14	ST person days % as of total person days	2.63	2.93	3.88	3.87	3.33
15	Women Person days out of Total (%)	92.99	93.37	92.16	91.27	92.45
16	Differently abled persons worked	1633	1741	1753	1978	1776

Source: MIS of Mahatma Gandhi NREGS

Table 1 reflects the performance of Mahatma Gandhi NREGS in Kerala based on various aspects of its determinants. Average approved labour budget of the scheme during the 4 years(2012 -13 to 2015-16)in Kerala is 795.92 lakhs. Average Person Days generated in these four years is 758.56 Lakhs. Thus on an average 95.19 % of approved Labour Budget had used in Kerala. Out of an average expenditure (145429.82 Lakhs rupees) of the scheme in Kerala 93.17 % is unskilled wage component (135489.72). Thus material component and administrative component comprises of 6.83 % only.

As per the guideline, up to 40% of expenditure can be utilised for material component. Thus convergence funds, especially from Plan fund of PRIs or funds from some Centrally Sponsored Schemes like IWMP / PMKSY could be used for creating durable assets.

3.2. Role of PRIs in planning process and labour budget preparation

Planning is critical for the successful implementation of Mahatma Gandhi NREGS. According to the Mahatma Gandhi NREGA, GramaSabha is the prime platform for preparation of Labour budget and identification of works to meet the Labour Budget. In Kerala, Government was decided to begin the planning process from Neighbour Hood Groups(NHGs), the grass root level organisation of Kudumbashree Mission, because, most of the workers are active members of NHGs. The NHGs suggest the list of works which is demanded to their area as per the list of permissible works and to cover the total labour days demanded by the workers of their locality. This should be presented in the GramaSabha and consolidated such suggestions from all the NHGs in the ward. The consolidated Labour Budget and list of identified works are presented before the GramaPanchayat and GramaPanchayat prepared and submits their Labour Budget in to Block Panchayat.

This tier of PRI also consolidated the Labour Budget and sent it to District Panchayat via District Programme co-ordinator. District Panchayat also consolidated the Labour Budgets of all concerned Block Panchayats of their area and send to State Mahatma Gandhi NREGS Mission. Finally State Mission transferred consolidated Labour Budget of the state to MoRD for approval. After getting approval, implementation of the works shall be initiated by the GramaPanchayat as per the demand of labour arise.

3.3. Role of PRIs in implementation of the scheme

In Kerala, the responsibility of implementation of the scheme is vested with the GramaPanchayats. Even though the guideline of the scheme says at least 50% of the work should be implemented by GramaPanchayats, Govt. of Kerala decided that 100% of implementation of the scheme should be done by GramaPanchayats. For this a mechanism is developed under GramaPanchayat and appointed dedicated Engineers and Data Entry Operators. Kudumbashree Mission also have such involvement in the scheme by engaging 'mate' as a co-worker, who look after the maintenance of Muster Rolls, ensuring worksite facilities, arranging treatment and other allied measures to labourers while accident occurs. Block Programme Officer has in charge of 100% monitoring of the Mahatma Gandhi NREGS works in respective GramaPanchayats.

3.4. Benefits of marginalised sections and inclusive growth

The act says, one third of the workers should be women and also should be given due importance to people belongs to Schedule Casts(SC) and Schedule Tribes(ST). In Kerala, percentage participation of the women workers in the scheme is above 90%. Representation of SC and ST population also exemplary in the State. Differentially able persons also have a say in the scheme. Table 1 illustrates the involvement of marginalised section of the society in the scheme. The sections got space and they earned livelihood base from the scheme. Out of the average total person days generated in the period, the participation of women in the scheme is 92.45%. It reveals that the foremost beneficiary of the scheme in Kerala is the unemployed rural women. Among the average total person days generated in the four years, 16.9% were generated by Schedule caste, 3.33% were generated by Scheduled Tribe. An average of 1776 differentially abled persons also worked under the scheme during the period. Being participant of the scheme they got a chance to earn income and livelihood infrastructure for their development. This will resulted to inclusive growth of marginalised section in rural Kerala.

Social Inclusion is an important aspect inbuilt in Mahatma Gandhi NREGS. Vulnerable sections like Schedule Caste, Schedule Tribe, Women, differentially able persons and old aged persons have get utmost care in the worksite. In Kerala a new custom developed in the worksite, that is irrespective of the caste and creed, the people work together in a worksite always tries to get the corresponding jobs possibly with the same group, because, a kind of security feeling and concern to colleagues would develop among the group without their understandings.

3.5. Mahatma Gandhi NREGA and Inclusive growth

Since its inception the Mahatma Gandhi NREGA has ensured social protection for the most vulnerable and marginalized communities in Rural Kerala through providing employment opportunities. Evidence suggests that the Mahatma Gandhi NREGA is succeeding as a self-targeting programme, with high participation from marginalized groups including the Scheduled Castes and Scheduled Tribes. To augment wage employment opportunities by providing employment on demand and thereby extend a security net to the people and simultaneously create durable assets to alleviate some aspects of poverty and address the issue of development in the rural areas.

As per the amendment of the Mahatma Gandhi NREGA on 3rd January 2014, When the selection of household for creating individual assets, a prioritization should be made such as Schedule Caste, Schedule Tribe, Nomadic Tribes, De-notified Tribes, Other families below poverty line, Women headed households, Physically handicapped headed households, beneficiaries of land reforms, the beneficiaries under the Indira AwasYojana and beneficiaries under the Schedule Tribes and other Traditional Forest Dwellers Act 2006. After exhausting the eligible beneficiaries under the above categories select on the land of small and marginal farmers as defined in the Agriculture Debt Waiver and Debt relief Scheme, 2008 [6]. The Participatory Planning process can be established to utilize the potential of the scheme in each area.

The scheme also has an objective of empowerment of women economically and socially. Mahatma Gandhi NREGA has provided an opportunity to the rural women to come forward, to work in a group, to increase their group dynamics and acquire new skills. It has provided the rural women with more exposure to the outside world [7,8]. Various provisions under the Act and its Guidelines aim to ensure that women have equitable and easy access to work, decent working conditions, equal payment of wages and representation on decision making bodies [9,10].

With the increased rate of participation and large amounts being spent on wages for women prove that the positive impact of the scheme on economic wellbeing of women. The scheme has also led to Gender equality in wages and worksite facilities. The National Sample Survey Organisation's 66th round indicated that the Mahatma Gandhi NREGA has reduced traditional wage discrimination in public works. Access to economic resources has also a favourable impact on the social status of women. Now a day's woman has greater say in the way to spend their money independently. A large percentage of women spending leads to avoid families hunger, repay small debts, paying their children's schooling, medical aid, etc., it directly helps to improve the social status of women. The scheme is resulting to financial inclusion through payment of wages through bank or post office accounts and transparency through public vigilance.

4. Conclusion

Kerala is renowned as the champion of decentralised governance with a view of established Panchayati Raj System in the true spirit. PRIs should be made more effective through greater delegation of power and responsibility to the local level. Thus PRIs played a tremendous role in Planning, implementation and monitoring of the decentralised projects which would be resulted to Local Economic Development and Inclusive Growth. This experience would be resulted to plan and identify the Mahatma Gandhi NREGS works with the help of members of GramaSabha and NHGs. PRIs also gave importance to include more households to the scheme especially, the disadvantaged groups like women, SCs, STs, BPL families and differentially abled people in the scheme. As a public work programme for employment generation through the creation of labour intensive productive assets, Mahatma Gandhi NREGS has achieved inclusive growth throughout the state by providing employment to disadvantaged groups in the society.

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