

# EMPLOYMENT ASSURANCE SCHEME : AN IMPACT ASSESSMENT

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## Abstract

The creation of employment opportunities, particularly in rural areas, has always been an important objective of developmental planning in India. One such employment programme is the 'Employment Assurance Scheme (EAS)' launched by the Ministry of Rural Development, Government of India on October 2, 1993 to provide gainful assured employment, particularly during the lean agricultural season, in manual work to at least one able-bodied person in poor families. The impact assessment was conducted in two rural development blocks of Mizoram, India. Within a reference of three financial years, a total of 535,627 rural people were employed with expenditure incurred of Rs.280.01 lakh. The scheme successfully generated rural employment. However, maintenance of the community assets created was observed to be poor. Disparity of wages between men and women has serious policy implications for future implementation of similar schemes.

## Introduction

The relatively high growth of population and labor force has led to an increase in unemployment and underemployment from one plan period to another. The Eight Five Year Plan aims at bringing employment into sharper focus with the goal of reducing unemployment to a negligible level within the next ten years. Such an approach is necessary, because it is now realized that larger and more efficient use of available human resources is the most effective way of alleviating poverty together with a

reduction in inequalities and sustenance of reasonably high paced economic growth (Anonymous, 1993).

Labour intensive rural public works programmes have emerged as an important instrument for alleviating mass unemployment, underemployment and poverty. These programmes generally aim at raising the employment levels and incomes of poorer sections of the rural population through the construction of a variety of productive infrastructures. Some of these schemes include soil conservation, reforestation, minor irrigation, land development reclamation, drainage, flood protection and access roads which increase agricultural production. Others are concerned with expanding drinking water supply, construction of cost effective housing and school buildings to meet basic minimum needs.

The severity of underemployment has been high in rural areas. Since the poor cannot afford to remain unemployed for long periods, they engage in low productive activities yielding a low income. This has resulted in the increasing actualization and marginalization of the work force. Considering the severity of the rural unemployment problem, various special employment programmes have been introduced by the Government of India to provide employment opportunities through the creation and strengthening of rural infrastructures. One such employment programme was the Employment Assurance Scheme (EAS) launched by Ministry of Rural Development on October 2, 1993.

The primary objective of the EAS was to provide gainful assured employment,

particularly during the lean agricultural season in manual work to at least one able-bodied person in poor families, keen to work but unable to find jobs. The secondary objective was to create social and economic infrastructures in the rural areas that could improve the resource base and provide sustainable employment in the long run.

### **Salient Features of EAS**

- A demand-driven scheme with no fixed annual funds
- Expenditure shared between Central and State governments on the ratio of 80:20
- Central Assistance under this scheme was directly released to the District Rural Development Agency (DRDA)/Zilla Parishad and block, based on their demand and expenditure.
- All adult members in poor families were provided with assured employment for 100 days in a year.
- Work under EAS was labour-intensive, which could create durable community assets.
- As an individual beneficiary programme, horticulture development was permitted on the land of poor families.
- Members of poor families, keen to get employment, needed to be registered in the village panchayat and were provided with family cards.
- To initiate any work, at least 10 registered members had to request Block Development Officers (BDOs) to provide employment.
- The state level co-ordination committee for rural development was responsible for the overall guidance and monitoring of work under EAS.
- States were also required to constitute District and Block EAS Committees comprised of district level officers of the

implementing agencies, Members of Parliament (MP), Members of Legislative Assembly (MLAs), Non-Governmental Organizations (NGOs) etc.

- District level officers of line departments, BDOs, Panchayat Samitis, Gram Panchayats and NGOs were the implementing agencies.

### **Objective of the Study**

- 1) To examine the planning and execution process of EAS in the light of the guidelines (1993).
- 2) To assess the overall impact of the programme and the extent to which programme objectives were realized.
- 3) To recommend policy implications for future planning and implementation of similar employment generation schemes.

### **Selection of Area and Methodology**

The present study was conducted in Mizoram, a small land-locked state in the north eastern part of India with an international border with Bangladesh and Myanmar and inter-state borders with Assam, Tripura and Manipur. The total geographical area of the state is 21,087 Sq. kms. According to the 2001 census, the population of Mizoram is 891,058. The state is connected with the rest of India by NH-54 which runs through Assam and Meghalaya. The state capital Aizawl is connected by air links with Kolkata, Guwahati and Imphal (Anonymous, 2006).

For the purpose of impact assessment, two Rural Development (RD) Blocks *viz.* Thingdawl and Zawlnuam were randomly selected. Assessment was confined to works implemented under

EAS during 1993 – 1996 to find out the impact of the scheme on rural people even after a lapse of more than ten years.

Baseline data were collected from the concerned District Rural Development Agency (DRDA) namely, DRDA Aizawl on various works implemented under EAS along with employment generated and expenditure incurred during the confined period. Certain works were identified from the baseline data for spot verification. Four villages were visited for primary survey as well as on-the-spot verification. The villages visited include Zawlnuam and Borai villages under Zawlnuam RD Block; Thingdawl and Bilkhawthlir under Thingdawl RD Block. Discussions were held with respective Village Councils (VCs), community leaders and beneficiaries.

### **Results and Discussion** **Implementing Agency**

The implementing agency for EAS at the district level was DRDA and Block Development Officer (BDO) at the block level. At the field level, the VCs were entrusted to carry out the actual implementation of the works under close supervision of the BDOs.

### **Preparation of a Shelf of Projects**

The projects implemented under EAS were identified on a need base. At grassroots level, the projects to be taken up during a particular year were identified in the Block Development Committee (BDC), usually held before the start of every financial year. All the villages within a particular RD Block were represented by respective VCs or their representatives in the BDC. The VCs or their representatives would bring a list of projects to be taken up as employment generation in their respective villages during a particular year. These lists of projects submitted by the VCs were scrutinized and prioritized in the BDC. The final lists

were then prepared in the form of a shelf of projects also known as 'Annual Action Plan (AAP).'

The shelf of projects prepared by the BDCs were again scrutinized and approved at district level by the Governing Body of DRDA. The final approval of the shelf of projects was made at the State Level Co-ordination Committee (SLCC). The approved shelves of projects were implemented in the villages by VCs under the close supervision of BDOs according to fund availability.

In most cases, it was observed that not all projects identified in the shelves of projects for a particular village could be covered during a particular year due to limited funds.

### **Registration of Employment Seekers**

As per guidelines of EAS (1993), every village panchayat was supposed to maintain a register of persons above 18 years and below 60 years of age, who needed and sought employment under the scheme.

It was observed in the study areas that no village panchayats (VCs) maintained registers containing particulars of employment seekers and no family cards were issued. As a result of discussions with VCs as well as community leaders, the usual practice was to make announcements as and when funds were available for a particular work under the scheme. Those who needed employment in the village reported at the work sites and engaged in wage employment. Wages were paid according to records of attendance maintained by work supervisors.

### **Employment Generation**

Implementation of the scheme in the study areas was found to be successful to the extent of employment generation for the rural poor though it was not possible to provide wage employment to

all, particularly in times of greatest need, due to limited funds. The amount spent and employment generated in man-days is presented in Table 1.

In carrying out new projects under EAS, the guidelines (1993) had specified types of works to be prioritized with percentages as follows: i) Water and soil

conservation including afforestation, agro-horticulture and silviculture (40%); ii) Minor irrigation works (20%); iii) Link roads (20%); iv) Primary School and Anganwadi Buildings (20%).

Table 1. Amount spent and number of employment generated

Name of Block	1993 – 94		1994 – 95		1995 – 96		Total	
	Amount (Rs.)	Employment Generated						
Thingdaw	5.95	13532	104.46	197278	54.20	104022	164.61	314832
Zawlnuam	14.47	28491	64.58	137983	36.35	54321	115.40	220795
	20.42	42023	169.04	335261	90.55	158343	280.01	535627

### Projects under EAS

Projects carried out in the study areas included: i) Construction of link roads (new construction, widening and improvement etc); ii) Soil & Water Conservation (afforestation, water points, sunken ponds, spring water resources, boulder embankment, check dam etc); iii) Minor irrigation; iv) Construction of Anganwadi and Primary School Buildings; v) Others (construction of playground, community hall, workshop/vocational training centre and suspension bridge etc.).

Expenditure incurred on different projects undertaken and numbers of employment generated under various projects are reflected in Table 2.

Table 2. Expenditure incurred on various projects and employment generated

Type of Project	1993 - 94		1994 – 95		1995 - 96		Total	
	Amount	Employed	Amount	Employed	Amount	Employed	Amount	Employed
Construction of Link Road	11.78	27033	98.94	219076	37.85	60037	148.57	306146
Soil & Water Conservation	8.05	13977	37.31	53388	24.72	45763	70.08	113128
Minor Irrigation	Nil	Nil	12.40	27550	0.70	1629	13.10	29179
Construction of Anganwadi Primary/ School Buildings	0.39	670	19.19	32618	11.40	19543	30.98	52831

Others	0.20	343	1.20	2629	15.88	31371	17.28	34343
<b>Total</b>	<b>24.42</b>	<b>42023</b>	<b>169.04</b>	<b>335261</b>	<b>90.55</b>	<b>158343</b>	<b>280.01</b>	<b>535627</b>

Based on Table 2, a comparison of various projects implemented is made. Figure 1 shows percentage-wise expenditure incurred on various projects and employment generated. The different projects carried out under the EAS were not necessarily according to the percentage-wise allocation of funds in the guidelines. Rather, it appears that projects under EAS were implemented according to the priority of works as the felt need of local communities.

Among the different projects, fund utilization on construction of link roads (CLR) ranked highest with 53.06%. The highest priority given by the local communities of the study areas was to the construction of link roads. Works relating to Soil and Water Conservation (SWC) ranked second with 25.03%, followed by Anganwadi/Primary School buildings (Ang/PS) with 11.06%, others with 6.17% and Minor Irrigation (MI) with 4.68%.

Similarly, the greatest employment was generated under CLR with 57.16%, followed by SWC (21.12%), Ang/PS (9.86%), Other (6.41%) and MI (5.45%).

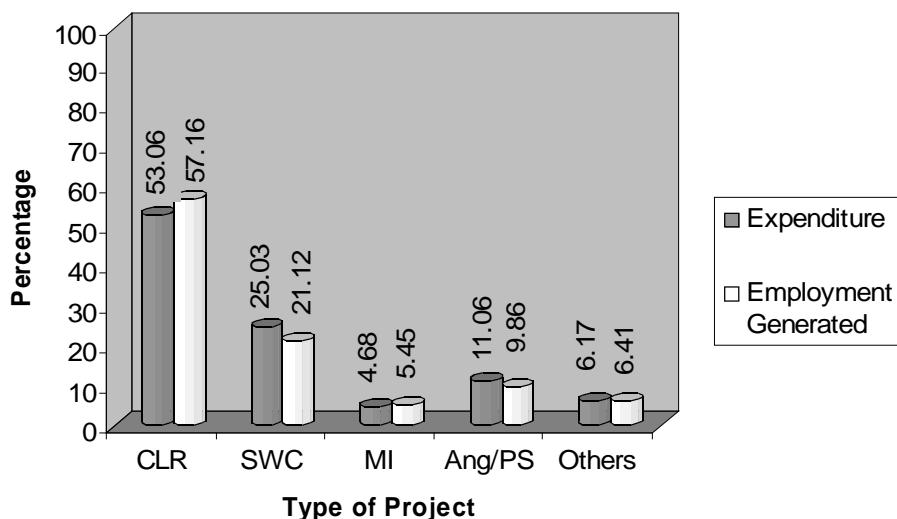


Figure 1. Percentage of expenditure incurred on various projects and employment generated.

#### Payment of Wages

The guidelines clearly stated that equal remuneration should be paid to men and women workers for the same work or work of a similar nature and there should be no discrimination while employing men and women workers.

Results of interviews with VCs revealed disparity in the payment of wages to men and women. Though it could not be verified, the wages paid as recalled by some VCs were Rs. 80/- and Rs. 70/- per man-day for men and women respectively. Some VCs even paid Rs.

60/- per man-day for women while men were paid Rs. 80/- per man-day. The mode of payment was cash and paid mostly on a weekly basis.

The reason given by VCs for such disparity of wages was that they were not aware that equal remuneration had to be paid to men and women. Above all, it was a general assumption that women contributed less labor as compared to their men counterparts for the same kind of work.

#### **Maintenance of Assets**

The maintenance of assets created under EAS was also given importance in the guidelines. The State Governments were expected to provide adequate funds for the maintenance of assets created under the scheme.

Field observation revealed poor maintenance of the community assets created as there was no fund available for the purpose. The allocation of funds was targeted to increasing employment and labour intensive works. However, it did not in principle support operations and maintenance of assets created although funds were often used for major repairs and replacement of existing projects along with new projects.

#### **Summary of Findings and Recommendations**

In the light of the objectives of the study, the findings on impact assessment of EAS are summarized as follows:

#### **On the Process of Planning and Execution**

The initial planning and identification of projects under EAS at grass root level were done by the VCs. However, such identification of projects was usually done by a selected few viz members of the VCs based on their perceived community needs and not in an open general meeting of villagers. Hence there was less awareness among the

general members of the community about the projects.

Those projects identified by respective VCs within a particular RD Block were scrutinized in the block level committee (BDC) and district level committee (DRDA Governing Body). Final approvals of projects for a particular year were made in state level committees (SLCC). The approved projects (shelf of projects) for each village under respective RD Blocks were implemented according to fund availability. In most cases, the funds available for the projects could not meet the requirements to cover all approved projects for the year.

The VCs were entrusted with carrying out the actual implementation by the works under close supervision of BDOs. They were expected to maintain registers of employment seekers and issue family cards but no such registers were maintained and family cards were not issued. Payment of wages was mostly made on the basis of attendance registers in cash on a weekly basis. Disparity on wages for men and women was also observed.

#### **On Overall Impact of the Programme**

An attempt to assess overall impact of the EAS has been made in the light of the programme objectives, firstly, to provide gainful wage employment and secondly, to create social and economic infrastructures in rural areas.

The employment generated during a period of 3 financial years in 2 RD Blocks reached up to 535627 man-days with expenditure incurred amounting to Rs.280.01 Lakh. The social and economic infrastructure created included: i) construction of link roads; ii) soil & water conservation measures; iii) minor irrigation; iv) construction of Anganwadi/Primary School buildings; and v) others (public play grounds, community halls, worksheds/vocational

training centres and suspension bridges etc.).

The result indicated that the objectives of EAS were achieved to the extent of employment generation and creation of community assets. Most of the community assets created under the scheme were reported to be of great benefits to the communities.

However, maintenance of the assets was poor. There were some instances where the assets created were dismantled due to lack of proper maintenance. Some assets were still left for continuation even after a lapse of ten or more years. This might be attributed to the fact that the programme budget did not provide for maintenance of assets. Even the communities did not seem to take up measures on maintenance of their assets by mobilizing their own resources.

### **On Policy Implication**

The EAS ceased to exist in 2001 when the scheme was merged with other rural infrastructure development schemes into a new scheme viz. Sampoorna Grameen Rozgar Yojana (SGRY). Though the scheme has ceased to exist, the results of impact assessment on erstwhile EAS will still be valuable input for policy implications towards the planning and implementation of similar existing rural employment generation programmes viz. SGRY and National Rural Employment Guarantee Programme (NREGP) etc.

The following recommendations are therefore presented for future planning and implementation of similar rural employment generation programmes:

1. People participation is a key to success for any rural development scheme and awareness creation at the grassroots level has to be the first and foremost activity. Wide

publicity on the main provisions and details of the development programmes through awareness campaigns or orientation training as a planning process is recommended.

2. Transparency is another important aspect for the success of any project. Identification of projects for the community and review of progress should not be confined only to a few members of the community. It should be done in an open manner, possibly in a general meeting of all villagers. The final approved projects with the costs should also be shown openly to all members of the community.
3. Proper records pertaining to the development projects should be maintained at various levels. For programmes similar in nature to EAS, proper records such as register of employment seekers, family cards, and register of assets created should be maintained. This will prevent duplication of works under the same scheme and at the same time stand as a reference for future plans of action.
4. Provisions for maintenance of assets created under various development schemes should be provided within the project funds or from other sources. Most importantly, the community should be motivated to take necessary measures to maintain the assets created within their community. For this, it is recommended that policy be framed by the State Government for ownership of works completed vis-à-vis their maintenance.

5. Due consideration is also recommended to convergence of development schemes implemented by various development departments as far as possible.
6. Disparity of wages between men and women observed during the study was a deviation from the guidelines. The concerned implementing agencies did not seem to take timely corrective measures on the matter. This was an indication that monitoring of the project implementation required improvement at various levels. For more effective implementation and monitoring, creation of a comprehensive data-base for all development schemes at the District and State level is recommended. Most importantly, village level monitoring committees comprising VCs, reputed NGOs, prominent citizens, representatives of youth and women's groups etc. to look after and review the progress of project implementation is recommended.

**References:**

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