

The Demand and Supply of Employment Guarantee: Impressions from Khunti—2

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INTRODUCTION

MGNREGA calls for a radical shift in the perspective of the State vis a vis the rural workforce in its territory. From being a beneficiary in anti-poverty programmes, rural labour is now to be recognized as a citizen, who can exercise his/her right to guaranteed and favourable employment. In doing so, s/he can become agents of her/his own development. The rural citizen, armed with the guarantee of employment and wage, has a choice to prioritize and fulfill felt needs at any point in time and enhance his/her life opportunities. The Act has made it legally binding on the State, as the duty bearer, to set up systems for actualizing this economic right as well as provide mechanisms to prevent its violation.

The following article is based on a recent visit to Tirla (Belahati and Saridkel) and Siladon (Irud and Sulhe) *panchayats* of Khunti block in Jharkhand, to understand the implementation of the programme through the experiences of the workers and the NREGA Sahayata Kendra set up by researchers from the Centre for Development Economics at the Delhi School of Economics and with support from the district administration. The Sahayata Kendra is mainly the brainchild of Dr. Jean Drèze, the chief architect of MGNREGA. It was conceived as a help centre for the implementation of NREGS and is run by a team of four people, of whom three belong to the local community. The Sahayata Kendra helps workers claim their right to work and puts in place favourable workplace conditions. The article looks at the issues from a demand-and-supply perspective and identifies the areas of engagement of civil society, at large, and Pradan, in particular.

STRENGTHENING THE DEMAND FRONT

NREGS is a demand-based programme, implying that people's demand for work that determines how much work is sanctioned, when it is sanctioned and the kind of work that should be taken up. As a resident of a village, any worker can suggest work to a *gram panchayat/gram sabha* member. Unlike other programmes, the work is not allocation-based and the state cannot stop it at will.

According to the Ministry of Rural Development (MoRD), "Employment is dependent upon the worker exercising the choice to apply for registration and obtain a Job card, and then to exercise a choice to seek employment through a written application for the time and duration that the worker wants." It becomes

the State's responsibility then to make the work available within 15 days of demand for work; if that does not *happen*, the onus rests on the State to provide daily unemployment allowance to the worker whose demand for work was not honoured. This allowance is based on the entitlement of the household, at a rate specified by the State government, which should not be less than one-fourth of the wage rate for the first 30 days and not less than half the wage rate for the remaining period of the financial year. These provisions rest on three key assumptions.

1. That the rural workforce is aware of and understands its 'rights' in the context of 'employment', which is coming through a government scheme. For years, people have seen and worked on the cash-transfer employment work of the government, started during critical times such as drought and lean agricultural periods. A recent example is the drought of 2001 in Jharkhand, after which the digging of small wells was taken up in selected *panchayats*. In 2002–03, a scheme was launched to dig one pond in each village of Palamu and Santhal Parganas. In 2004, around Rs 800 million was allotted from the Calamity Relief Fund. However, the shift from this form of short-term social safety net to a 'guarantee to wage employment' and 'employment on demand' has not been communicated effectively at the village level, to begin with.
2. That the worker is equipped with information about the provisions of NREGA, the process of seeking a job

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card, whom to contact and for what purpose. Also that the worker will demand employment and that he can then exercise his 'choice', depending on his needs. Additionally, it is assumed that the worker can, at ease, reach out to people, who manage these works, namely, the *Rozgar Sahayak* and the *Panchayat Sewak* at the *gram panchayat* level; the BDO/ Programme Officer and the technical staff at the block level; and the District Programme Coordinator at the district level.

3. That the *gram sabha* (and by implication, the *gram panchayat*) espouses democratic values and it is easy for the poor and marginalized to influence decision-making.

An interview with one of the work supervisors/mates revealed that when a project starts, the workers with job cards go to the site straightaway. She stated, "*Jab kaam aata hai to sab chaley jatey hain* (when work is available, we go directly to the site)." The *Rozgar Sahayak* or the *Panchayat Sewak* are not informed/approached for applications; it is mainly the mate, who interacts with workers, maybe even turning a few of them away. It is, however, the *Rozgar Sahayak's* or the *Panchayat Sewak's* responsibility to respond to the demand for employment. The absence of a written application (and dated receipt as proof) and the lack of a system of record keeping as to who demanded work informally and was turned away, implies that locating violators and fixing accountability will be difficult.

An NREGS survey conducted in six states of North India, including Jharkhand, in 2008



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revealed that 65% of the workers interviewed had never applied for work and 71% of these stated ignorance of the need to apply as the main reason for not filing an application. (For more details, see Jean Drèze, January 2009, 'The Battle for Employment Guarantee', *Frontline*, Vol. 26, Issue 1,) Mr. Balram of the NREGA Watch Forum in Jharkhand says that very few households manage to avail of 100 days of guaranteed employment, and those certainly are the better informed and smart people of the community.

In Khunti block, only 143 households with job cards have completed 100 days of work this financial year, that is, until February 2010. The Government of India MGNREGA website declares that, of the panchayats visited, nine households in Tirla and eight households in Siladon, have exhausted 100 days of work. In Belahati village, an OBC-dominated village that falls under Tirla *panchayat*, of the 150 households with job cards, not more than six have completed 100 days of work. During a discussion with the men, a senior Pradan team member found that whereas the total person work days should have been 15,000, it was actually 3,520, with the average

person work days being 23.4. People were united in expressing their desire for more work but did not know how to go about achieving it.

Essential, therefore, is the need to make the workers understand how they as citizens should relate to the State and why the State, as duty bearer, is to be held accountable. Here, 'State' refers to *Panchayati Raj* Institutions (PRIs) at the village, intermediate and district levels. These are non-existent in Jharkhand; it is, therefore, the local administration and people entrusted with NREGS-related responsibilities that become an extension of the State. Addressing the information gap is an important step towards strengthening the demand base of the NREGS.

- The number of days of guaranteed wage employment for a household in a financial year and the kind of work on offer.
- The purpose of the job card and related details such as its validity, and the need to be proactive in getting job cards, applying for work, finding out whether work has been allotted and following up on the unemployment allowance when no work is provided within 15 days.

- The fact that the job cards must be kept with them and not with anyone else.
- The fact that there is reservation for women workers and that both men and women are entitled to equal wages.
- The fact that work needs to be made available within a 5-km radius of a village.
- The fact that a worker is entitled to worksite facilities.
- The provision of medical facilities in case of accident and the compensation.
- The existence of a grievance redressal mechanism (who is to be contacted, for what, at what level and the time period within which it will be addressed).
- The right to scrutinize NREGS documents (all accounts and records, muster rolls of each scheme, and annual report on the scheme implemented by District Programme Coordinator/PO/*gram panchayat*).
- The fact that there are no contractors in this system.
- The fact that attendance is to be recorded daily only in a *pucca* muster roll, which has to be kept at worksite for anybody to see.
- The statutory minimum wage entitlement and time period within which work payment should be made.
- The fact that the payment has to be made directly into their bank account.
- The responsibility of the block in implementing the Act.
- The institutions and the agencies that execute work.
- The way in which a project should be decided.
- The agreed labour-material ratio in a project.
- The fact that the use of machines is not permitted in NREGS works.
- The practices that are illegal under the Act and need to be reported.

Awareness of all these is essential to make the programme pro-worker in Jharkhand. An enhanced understanding of how the Act should be implemented is necessary for the workers to exercise their rights as well as articulate concerns against malpractices.

This is one key area for civil society engagement. It is a massive work in itself, requiring an organization with specialized skills in training and building the capacity of the workers to take up their own cases. Awareness building, however, has been a weak area of engagement, restricted to one-off activities; there is limited understanding of how awareness can be built in a sustained manner. One of the suggestions is to distribute radios to poor SCs/STs and the landless in rural areas, so that they may assist in information dissemination.

NEED TO STRENGTHEN PLANNING IN GRAM SABHAS

A *gram sabha* is the primary communication link between village and the local bureaucracy in Jharkhand, considering that *gram panchayats* are non-existent. For rural workers, a *gram sabha* could become a space for articulating concerns, proposing possible works and building consensus among villagers. It also is a forum for estimating how many days of work can be generated for a household through a particular work, and for proposing when it should be taken up. The more detailed is the proposed work/shelf of works, the lesser is the likelihood of misinterpretation by the technical and sanctioning authority and of mismatch between what the villagers propose and what is sanctioned and started. If people with technical expertise help the villagers design the projects in detail, it will ensure, to some extent, that the projects are accepted at the block level.

A technical person's involvement at the block level in NREGS work as such is low despite it being one of his/her key responsibility areas. This indifference is a problem. Perhaps, having the Junior Engineer (JE) attend a *gram sabha* meeting and engaging him in the process could help in ensuring that the project is accepted later at the block level.

The creation of common assets at the village level requires knowing the felt needs as well as the nuts and bolts of how to go about building it (technical feasibility) and ensuring its long-term maintenance.

NEED FOR INCLUSIVE PLANNING IN THE GRAM SABHA

Whereas this visit did not study the level of participation of men and women in the *gram sabha*, inference has been drawn based on observations in the collective meeting of both women and men in Belahati. Men and women were hesitant to sit together; women did not speak

The second issue is about coming up with technically sound plans at the *gram sabha*-level for improved projects. At present, no technical support is available at the community level to help it identify the creation of productive assets and to discuss the preliminary rough design. The creation of common assets at the village level requires knowing the felt needs as well as the nuts and bolts of how to go about building it (technical feasibility) and ensuring its long-term maintenance. Several times, a particular NREGS work is taken up simply because it is convenient to implement as well as to measure (for example, road construction). Whereas wages are created under such work, the absence of technical support could give rise to the possibility of assets going wasted and not contributing to strengthening livelihoods in the long run. An abandoned pond in Sulhe is a case in point.

With its expertise in integrated natural resource management (INRM), Pradan can play a role in helping people make more informed decisions with regard to assets that are created through NREGS work. Considering its knowledge of various government schemes, Pradan can also propose the pooling of resources for a work. Further, it could extend help in suggesting the sequencing of the works.

In Sulhe village of Siladon *panchayat*, a pond development work under NREGS was started in 2007 and abandoned by workers in 2008. According to the Sahayata Kendra, hard soil at the project site made earth-cutting work difficult and it was, therefore, abandoned after a point. By this time, Rs 75,000 of the estimated Rs 1,62,000 had been already spent. Had there been some technical input on planning and site selection, during the preliminary discussions in the *gram sabha* (i) a more suitable site could have been identified where excavation work would have been relatively easier and the supply of water to agricultural fields better planned, and (ii) a better design could have been developed taking into consideration the topography and soil quality.



up much until they were split into smaller groups; they seemed more comfortable talking in separate small groups. Thus, women's involvement in discussions on NREGS (and in proposing work) in the *gram sabha* seems to be low. It could mean that, as workers, they do not have a say in (i) what kind of projects are started (whether that takes into account their differential physical abilities compared to male workers) and (ii) what kind of productive assets are created in the village.

Pradan could facilitate a more inclusive planning process at the village level, given its outreach among women workers (many of who are also Pradan's SHG members). Planning at the *gram sabha* level is the foundation on which, ideally, the *gram panchayat*/block/district levels are developed. Needs-identification at the *gram sabha* can itself be problematic, becoming merely an exercise carried out by men, reflecting their concerns. By bringing in the woman's perspective, Pradan's SHGs would make needs-identification for common assets more balanced. This assumption is based on the knowledge that the SHG women are confident about articulating concerns, are aware of issues and can manoeuvre discussions to their advantage, despite conflicting interests. Needs-identification and planning are not apolitical exercises and have to be steered sensitively, with an awareness of local power dynamics and at the same time ensuring that the weakest are not left behind. Within Pradan's interactions with SHGs, this is one area in which more mentoring may be undertaken.

NEED TO ENCOURAGE THE ASKING OF QUESTIONS AND THE DEMANDING OF ANSWERS

Low awareness, distance from the power centres—the district and the block headquarters—low literacy levels and the

daily struggle for survival pose serious challenges to realizing the economic right of the workers. Traversing the distance from awareness of rights to practising and exercising these is a challenge that requires a lot of confidence building and handholding support from civil society. Despite being aware, one may not be able to voice concerns/ask questions to the relevant authorities. At the village level, people stay silent to avoid confrontation with those who have power, and at the block level and in relation to institutions such as banks, they are not capable of exerting pressure. Here, an NGO could step in to (i) help the workers access relevant documents from the block office, facilitate the social audit at the *gram-sabha* level and ensure that all parties responsible for NREGS are present, (ii) take up issues concerning banks (opening of bank accounts, lack of cooperation in updating passbooks and withdrawal of wages) and (iii) inform block and district authorities about workers' problems and work out a reliable and fast track solutions where possible.

The Act directs the Block Programme Officer to ensure that a regular social audit of all works within the jurisdiction of the *gram panchayat* are carried out by the *gram sabha* and that prompt action is taken on the objections raised during the social audit. Furthermore, the Joint Commissioner's order states that social audit should be undertaken once a month in every *panchayat* in Jharkhand. So, a favourable policy environment does exist and it needs to be tapped. The need is also to communicate to the administration and the intermediary institutions such as banks and post offices that the workers have civil society backing and handholding support when they demand answers.

The Sahayata Kendra has taken a lead in five blocks in Jharkhand and has been successful in raising issues that come up during the NREGS surveys, conducted every year. These issues are taken up in a public hearing and the relevant authorities are made to respond to the queries and provide a deadline for action plan.

On 29 December 2009, the Sahayata Kendra conducted a public hearing in Siladon. It was decided to hold it on a market day so that a large number of villagers become aware of the event and participate. This event was preceded by a survey of 18 villages to find out NREGS-related issues. At the end of the public hearing, a charter of demands was given to the NREGS-related officials (Block Programme officer, JE, *Panchayat Sewak* and *Gram Rozgar Sahayak*) present in the meeting, for follow up.

In another instance, after the Sahayata Kendra's intervention, in a camp court held by Assistant Labour Commissioner in June 2009, 265 NREGS workers were each given Rs 2,000 as compensation for delayed payment. The people responsible for the delay were fined under Payment of Wages Act 1936.

MAKING THE SUPPLY SIDE RESPONSIVE

Several cases came up during the field visit, which need the attention of the local bureaucracy, in order to help workers secure their legal entitlement.

Fixing payment delay in banks

One of the main issues was how the wages reach the workers. Whereas separating the implementing agency from the payment

agency is a thoughtful effort to curb corruption, it has its own set of problems. The moot question is was any kind of initial assessment made to measure the banks' existing workload and strength to service new clients? What level of support has been provided to facilitate a dialogue between the banks and the NREGS workers? The workers have articulated the following problems:

1. Payments are not made on the day people go to the bank. In Sulhe, for example, people have to spend Rs 30 to travel to the bank and spend an entire day in the bank in Khunti block, only to often return empty-handed. Banking hours with regard to NREGS workers is restricted to one hour in the afternoon.
2. Updating of passbooks does not happen; as a result, workers are denied the right to know how much money was transferred to their account and on which date. The Act states that payment should not be delayed by more than a fortnight but, given the current situation, it is difficult to assess whether or not the wage transfer to workers' accounts meets this deadline. It, therefore, cannot be contested. Bank staff usually say, "The machine is not working." Several times, one of the *Sahayaks* from NREGA Sahayata Kendra has to visit the bank to get the passbooks updated.
3. Not all workers who worked on a project in Belahati have their accounts with the bank. Since the cheque from block office, which is deposited in the bank, is a consolidated one for all workers the bank states that only after all the workers have opened accounts will they transfer the wages to them. The workers, therefore, do not have access to their own income when they need it.

Several suggestions have been made for making payments efficient such as making the local community responsible, making the SHGs the paymasters, invoking the recent provision in RBI whereby a bank outreach system may be set up for a population of over 2000. Which of these will be most effective in naxal-affected Jharkhand is yet to be tested.

NEED FOR PROJECT SEQUENCING

NREGS work has relevance for the rural workforce. According to a young worker from Irud, it is better than the works initiated under the MLA Local Area Development Fund, in which contractors charge commission to employ labour. The women workers in Belahati say NREGS work is convenient because they are able to fulfil family responsibilities, take care of children and earn an income of Rs 99 within the village. Earlier, around 30 of these women worked in a lac factory from 6 a.m. to 6 p.m. and earned Rs 65 per day. They wonder if there is any more NREGS work.

Rather than the awareness of their right to work, their livelihoods and survival concerns impel them to seek NREGS work. The crux of the problem in Belahati, as Binju Abraham, a senior Pradan team member identifies it, is a gross miscalculation in sanctioning works in a manner that would reasonably absorb the workforce. This problem is also connected with the way in which the administration makes its labour demand projection to the Centre, based on which funds are released.

This was not, however, explored in this visit. Belahati is a labour surplus village, where the recent NREGS work of land development has failed to absorb the labour adequately. According to the Sahayata Kendra, every able and willing body flocked to the single site that opened and the project was completed within six days, leaving everyone dissatisfied. The

problem, suggests Binju, could have been tackled if two or more medium projects had been planned and implemented around the same time.

The Sahayata Kendra informed the block office about the problem but it is not clear how the block administration decided to tackle it. Meanwhile, people express their anguish—February and March are months when their need for cash is high; yet these are the months when they have no guarantee about employment or wages to meet their needs.

NEED TO MAKE PLANS TO MEET LOCAL NEEDS

The Act has designated the *panchayats* (district, intermediate and village levels) as the principal authorities for planning and implementing NREGS. The village *panchayat* is responsible for (i) identifying of projects (based on the recommendation of the *gram sabha*) and executing/supervising work, (ii) preparing the development plan and maintaining a shelf of possible work to be taken up when the demand for work arises, and (iii) forwarding the proposal for projects in the order of priority to the Block Programme Officer for scrutiny and approval, before the commencement of the year of execution.

In Jharkhand, however, there is an institutional gap with respect to NREGS implementation because the third stratum of governance does not exist at all (the last *panchayat* election in undivided Bihar took place in 1978). As an alternative organizational arrangement to PRIs, the *gram pradhan* has been notified and a *gram koshadhyaksh* (treasurer) has been selected by the *gram sabha* to support the implementation of NREGS. The services of these people are being utilized to register workers and distribute job cards.

The block administration (and BPO) has emerged as the key decision-maker, with regard to planning. Whereas the *gram sabha* recommends its list of projects, the sanctioning of work—what project comes to the village and when—happens at the level of the BDO/BPO. At the village level, the *gram sabha* needs to come up with a technically sound plan, which cannot be rubbished by the block. It will also help to have a civil society organization as intermediary, and working with the block administration, to put forward a strong case for people's plan. Pradan could play this role. According to D. Narendranath, Project Director, Pradan, even where PRIs exist, there is legitimate need for the engagement of civil society organizations to mitigate the technical gap in developing a robust shelf of works, which reflect people's livelihood aspirations.

ADDRESSING NREGS STAFF-RELATED PROBLEMS

Given the absence of formal local governance institutions, at the *gram panchayat* level, there is a vacuum in terms of who can take up the responsibilities stated in the Act. In Khunti block, there are 12 *gram panchayats* and a reasonable number of trained *Gram Rozgar Sahayaks*, who only look after NREGS work and reach out to people. The *Panchayat Sewak* has key responsibilities; he is entrusted with all NREGS-related documents, including the muster rolls for the sanctioned work, allocating employment opportunities to applicants and asking them to report for work. He is, however, multitasking and manages other government schemes too. Most *panchayats* do not have offices and, earlier, there was no independent person in the panchayat office, who was in-charge for even receiving the registration form for job cards. To address these problems, the Centre has raised the payment

of the administrative costs from 4 to 6%, the results of which are yet to be implemented (circular of March 2009).

The involvement of the JE, who is a block-level staff, has also been disappointing. Ideally, the measurement of work should be done within six days of completion. Workers complain that neither does the JE visit the worksites regularly to measure the work, causing delay in the payment of wages, nor does s/he guide the mates/supervisors on how to take measurements.

During the Siladon public hearing, it was suggested that the JE should be made accountable for any delays in the measurement of work. In a circular of the MoRD, dated 16 February 2010, States have been advised to seek technical expertise by constituting panel of accredited engineers at the district and block levels for (i) preparing estimates, (ii) measuring work, and (iii) auditing the quality of the initiative. The Sahayata Kendra will advocate with the block and district administration to implement this. Alternatively, an organization such as Pradan, which believes in building local capacities and leadership, can train up a cadre of barefoot engineers, who can do the work of the JE.

Addressing the Training Needs of Mates
Worksite supervisors/mates are responsible for making entries in the job card, maintaining attendance in the muster rolls, measuring the work and ensuring on-site facilities. The placement of mates at the worksite is considered particularly important in the context of Jharkhand where, in the absence of a functioning *gram panchayat*, an *Abhikarta Samiti* is made responsible for the implementation of the scheme. It comprises the traditional *gram pradhan*

and *gram koshadhyaksh* selected by the *gram sabha*. Past audits have highlighted the perils of entrusting this entity with all the responsibilities and powers at the village level. In an audit of the Birhu *gram panchayat*, the *Abhikarta Samiti* admitted to fudging the muster rolls. Earlier, funds were transferred from the block directly to the Samiti and there was no institutional mechanism to check whether the workers got their dues. The Samiti, on the other hand, was lower in the power hierarchy *vis a vis* the block administration and this led to corruption and blame games.

Jean Drèze and Reetika Khera, in articulating some major concerns regarding the implementation of NREGS in Jharkhand (May 2007), suggest that a well functioning mate system would reduce the concentration of power and management in a single entity such as the Abhikarta Samiti. So far, however, the functioning of mate system is basic. The mates have not received any training with regard to their responsibilities. The JEs, with whom the mates are supposed to work closely, have also not made efforts to share his/her knowledge (for example, on the System of Rates provisions) or skills. The sufferers are the workers, who, despite putting in the labour, do not always get the right wages within the payment deadline. This is an area that the Sahayata Kendra has the knowledge and the resources (in terms of network with NREGS advocates and acceptance of district administration), to enhance the skills and knowledge of mates.

CONCLUSION

There is need for civil society organizations to engage with issues on both sides—strengthening the demand as well as making the system responsive—depending on their

At the Saridkel cluster meeting of SHGs, an issue was raised. In Marangatu village, the JE came for measurement of the completed work, in the absence of the workers. The Sahayata Kendra *Sahayak* said that this is a violation of the rule and what was measured should have been verbally announced. Anisha from the Sahayata Kendra states that a serious flaw in standard practice is that in case of a mismatch between the muster roll maintained at the workers' level and the measurement book of the JE, the latter prevails.

In both Sulhe and Irud, workers have complained that due to the hard soil, a worker cannot dig a *chowka* (pit) in a day and, therefore, cannot earn the stipulated minimum wage. The JE had not informed the mate about the provision laid out in Schedule of Rates, which states that in case of hard soil, half *chowka* should be considered equivalent to one *chowka* dug in soft soil, and payments must be made accordingly.

In Irud, there are families in which 3–4 members manage to cut one *chowka* in a day. A few of them, despite being poor, do not have BPL cards and have to buy essentials such as rice for Rs 20 per kg from private shops. In Sulhe, Junas Pahan Munda, a disabled caregiver for the children of the workers and who too does not have a BPL card, explained that indicators of the BPL survey conducted in 2002 have largely benefited migrant communities, who though well-off, have less land and, therefore, conveniently fall in the less-than-one-acre-land criterion, which is used to determine who is poor.

Also in Irud, when a worker, who was apparently resting at the site, was asked why he was not working, he replied that he was not well, "*Matti katne ka takat nahin milta* (I do not have the strength to cut the earth)." Meanwhile, his son, not more than 6–7 years old, was working in his father's *chowka*.

niche areas. For Pradan, prior to making an intervention, it would be a useful exercise to map the existing resources of the various civil society actors (such as educational institutions that conduct NREGS surveys, networks such as MGNREGA Watch that articulate labour rights concerns at various fora and have the ability to influence policy making, set-ups such as the NREGA Sahayata Kendra that has the support of the bureaucracy, and other NGOs) and assess where it can add value in this collaboration.

Pradan has had sustained engagement with the rural communities for the last two

decades, having been involved in building the livelihoods of the poor and community institutions such as women's SHGs. To involve the SHGs in NREGS, Pradan has to first groom the members, arm them with information and build their awareness of rights and confidence in their strength as a collective instead of pushing them to challenge the unequal power relations at the community level or in relation to the local bureaucracy. The agenda, ultimately, has to emerge from these collectives, that is, how they would like to engage with the issue of securing their economic rights and make the state accountable.