

# IMPACT OF NATIONAL RURAL EMPLOYMENT GUARANTEE SCHEME IN SOUTHERN DISTRICTS OF TAMILNADU

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## ABSTRACT

*The present study on evaluation of the NREG Scheme is intended to assess the impact of this scheme on the overall quality of life of people by gauging different parameters associated with the improvement of overall quality of life of rural people such as impact on income earning levels of each household, expenditure on food and non-food items, household and cultivable assets creation by the beneficiaries. This study also captured the socio economic factors of the scheme to arrest out-migration, views and feedback of the beneficiaries on various facets of implementation of the scheme at grass root level right from the stage of issue of job cards. With the above set of objectives, the study was carried out in southern districts spread throughout tamilnadu by targeting 700 beneficiaries. These beneficiaries are hailing from the diverse geography and social background of the rural employment people distributed evenly within the selected southern districts.*

**Keywords:** NREG schemes, Rural employment, Awareness

## Introduction

In the fifties, Arthur Lewis set the tone of the development era when he wrote first, it should be noted that our subject matter is only growth and not the distribution. In their pre-occupation with rising, the rate of saving and investment and the starting of capital intensive, import-intensives and industrialization programmes to attain self-generating growth, the development, economists and planners in their countries last sight of the ends of development. Development was associated with expanding industrial output. The advocates of development were busy defending their case by presenting impressive macro statics-aggregate output, aggregate-income, and aggregate-saving and so on In spite of economic development in the last 50 years, the gap between the rich and poor has widened in India. A large number of studies in developing countries including India during the last 80's and early 70's have revealed growing disenchantment with the generalized theories of development and failure of development of strategies. This has matensations to turn to 'Rural Development' as the main objectives of development.

In a rural labour surplus economy, sections of rural population depend on the wages, they earn through unskilled, casual and manual labour. They are vulnerable to the possibility of sinking from transient to chronic poverty in the event of inadequate labour demand or in the face of unpredictable crises that may be general in nature. In the context of poverty and unemployment, workfare programmes are the important programme interventions in developed as well as developing countries for many years. These NREGS typically provide unskilled manual workers with short term employment on public works such as irrigation, infrastructure, deforestation, soil conservation and road construction. The rationale for workfare programme rests on some basic considerations. The programmes provide income transfers to poor households during slack agricultural seasons or years. In countries with high unemployment rates, transfer benefits from workfare programmes can prevent poverty from worsening, especially during lean periods. Durable asset programmes may create the potential to generate a second – round of employment benefits as necessary infrastructure is developed. The need to evolve a mechanism to supplement existing livelihood sources in rural areas was recognized early during development planning in India. The National Rural Employment Guarantee Scheme 2005 referred as MNREGS was enacted on 25th August, 2005 and it came into force on 2nd February, 2006. It marked a paradigm shift from the previous wage employment programmes with its rights-based approach that makes the Government legally accountable for providing employment to those who demand it. The scheme aims at "Enhancing livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work.

## Objectives of the study

1. To find out Socio economic factor to NREGS IN Southern District of Tamil nadu.
2. To trace the impact of National Rural Employment Guarantee Scheme in Sothern District of Tamil nadu.

**Socio Economic Factors to NREG Scheme**

**Table 1.1**  
**Age-wise Classification**

The age of the workers play an important role in decision making. The young workers way of participation may differs from the older people. Therefore the study has been classified into three category of age group. The age of the sample respondent is given below in the table 1.1.

**Table 1.1**  
**Age-wise Classification**

S.No	Age	Number of Respondents	Percentage
1	Upto18-40 Years	261	37.3
2	41-60 Years	289	41.3
3	Above 60 Years	150	21.4
<b>Total</b>		<b>700</b>	<b>100</b>

**Source: Primary data**

Table 1.1 clear that out of 700 Respondent 41.3 per cent of the sample respondent belong to the age group of 41-60 years, 37.3 per cent of the workers belong to the age group of 18-40 years and 21.4 per cent of the workers belong to above 60 years. It could be inferred that major proportion of the worker in the age group of 41-60 years constitute 41.3per cent.

**1.2 Gender-wise Classification**

The gender is the major factor, which influence the worker to select the level of problems. The study classified into two categories of gender namely male and female. The following Table 4.2 show the gender wise classification of sample respondents.

**Table 1.2**  
**Gender-wise Classification**

S.No	Gender	Number of Respondents	Percentage
1	Male	119	17
2	Female	581	83
<b>Total</b>		<b>700</b>	<b>100</b>

**Source: Primary Data**

It is inferred from Table 1.2 that out of 700 respondents 83 Per cent of the workers are female category and remaining 17 Per cent of the workers are male. It is quite nature that female involve in work more proportionate than the male.

**1.3 Religion-wise Classification**

Religion is a major concern of human being. Religions is something that can be found being every bush and every stone. Hence the study has attempt to made the religion classification of the sample respondent given in the religion of the worker is below in the table 1.3.

**Table 1.3**  
**Religion-wise Classification**

S.No	Religion	Number of Respondents	Percentage
1	Hindu	445	63.5
2	Christian	158	22.6
3	Muslim	97	13.9
<b>Total</b>		<b>700</b>	<b>100</b>

**Source: Primary data**

From the above table 1.3 refer the fact that out of 700 respondents 63.5Per cent respondent are Hindus, 22.6 Per cent respondent are Christian and remaining 13.9 Per cent are Muslim. In the study area the greater proportion is Hindus followed by Christian and Muslim.

**1.4 Community wise Classification**

Community is an important factor of society in which the people behaviour differs from each other. The given below table shows 1.4 Community-wise classification of sample respondents.

**Table 1.4**  
**Community-wise Classification**

S.No	Religion	Number of Respondents	Percentage
1	SC/ST	390	55.7
2	BC	154	22.0
3	MBC	95	13.6
4	Others	61	8.7
<b>Total</b>		<b>700</b>	<b>100</b>

**Source: Primary data**

Table 1.4 clears that out of 700 Respondents that 55.7 Per cent are SC/ST, 22 Per cent are BC, 13.6 Per cent are MBC and 8.7 Per cent are others. It is inferred that SC/ST people are highly participated in NREGS in Southern Districts of Tamilnadu.

**1.5 Marital Status**

Marriage is an institution of society which can have different implication in different cultures. Marriage brings new outlook in a man’s life. This marriage changes the life of a man. Hence the study has classification into the category, table 4.5 explain the marital status of the sample respondents.

**Table 1.5**  
**Marital Status**

S.No	Marital Status	Number of Respondents	Percentage
1	Married	617	88.1
2	Unmarried	83	11.9
<b>Total</b>		<b>700</b>	<b>100</b>

**Source: Primary data**

From the above table 1.5 it is clear that out of 700 Respondents 88.1 per cent are married and remaining 11.9 per cent are unmarried. It is inferred that both married and unmarried workers are interested in this work.

**1.5 Educational Level**

Education standard for deliberate an institution or training. Man does not behave in society instinctively. They behave in the way by which is a trainee. Education is an everlasting power of a man. Therefore an attempt is made to study the literacy level of respondent it is given in the table 1.5.

**Table 1.5**  
**Educational Level of Respondents**

S.No	Education	Number of Respondents	Percentage
1	Illiterate	304	43.4
2	Up to 10 <sup>th</sup>	259	37.0
3	11 <sup>th</sup> to 12 <sup>th</sup>	83	11.9
4	Degree	33	4.7
5	Above Degree	21	3.0
<b>Total</b>		<b>700</b>	<b>100</b>

**Source: Primary data**

From the above Table 1.5 it is revealed that out of 700 Respondents 43.4 Per cent are illiterate 43.4, literate of up to 10<sup>th</sup> are 37 per cent, 11<sup>th</sup> to 12<sup>th</sup> are 11.9 per cent, degree 4.7 per cent and 3 per cent are above degree. It is inferred that in NREGS workers are majority are illiterate.

**1.6 Monthly Income**

Income is one of the Socio-Economic variables which influence the decision of the worker. Hence an attempt is made to study the income of NREGS workers. The monthly income of the workers is shown in table 1.6

**Table 1.6**  
**Monthly Income of Sample Respondents**

S.No	Monthly Income	Number of Respondents	Percentage
1	Below Rs.3,000	406	58.0
2	Rs.3,000-4,000	137	19.5

3	Rs.4,000-5,000	88	12.6
4	Above Rs.5,000	69	9.9
<b>Total</b>		<b>700</b>	<b>100</b>

**Source: Primary data**

From the above table 1.6 refers that out of 700 Respondents 58 Per cent are below Rs.3000, 19.5 Per cent are Rs.3000-4000, 12.6 Per cent are Rs.4000-5000 and 9.9 Per cent are above Rs.5000. The majority of workers monthly income is below Rs.3000.

**Impact of NREGS in Social Development of NREG Scheme**

The impact of NREGS on Rural Development depends upon the awareness and participation of the respondents about the works carried out and the funds allocated to the programme in the areas selected for the analysis of the study. In the fourth chapter an attempt has been made to analyse the Social Upliftment and Economic Development of Impact of NREGS in Southern Districts of Tamilnadu for rural development on the basis of the responses of the respondents about their awareness and participation. In this chapter an attempt has been made to the works carried out and amount spent in Panchayat Union Councils of Southern Districts of Tamil nadu are analysed.

**Table 1.7**  
**Rotated Component Matrix**

Variables	Component	
	1	2
Administrative Problems	0.433	<b>0.532</b>
Delay in Wage Payment	0.017	<b>0.916</b>
First Aid Box	<b>0.832</b>	-0.012
Water Facility	<b>0.605</b>	-0.021
Shades for Children	<b>0.881</b>	-0.097
Safe Drinking Water	<b>0.735</b>	-0.032
Children Recreation Place	<b>0.846</b>	-0.068
Working Hours	-0.089	<b>0.185</b>
Insurance Scheme	<b>0.703</b>	-0.069
Mode of Wage Payment	-0.350	<b>0.358</b>
Travel Expenses	<b>0.761</b>	-0.091
distance of Working Place	-0.276	<b>0.427</b>
Problems with Co-Workers	-0.239	<b>0.729</b>
Health Problem	<b>0.435</b>	-0.106

**Extraction Method:** Principal Component Analysis.

**Rotation Method:** Varimax with Kaiser Normalization.

a. Rotation converged in Three iterations.

Table 1.7 Shows that the selected the highest factor loading 0.881 of each variable and group under a factor and then selected the highest factor loading 0.916 of each variable and group under a factor.

### **Naming of Factors**

Rotated matrix revise that variables 3, 4, 5, 6, 7, 9, 11 and 14 under factor 1; variables 1, 2, 8, 10, 12 and 13 are group the under factor 2. Thus, factor 1 may be named as Basic Needs, factor 2 as Problems of Administration.

### **Conclusion**

From these facts we finally conclude that through the impact of NREGS, financial crisis due to unemployment which deprives many people in village has been resolved completely with a knock on effect of future economic growth and poverty reduction. To increase the effectiveness of the Act, we should empower the workers. NREGS is rights based statute and its effectiveness lies eventually in the extent to which wage seekers can exercise their choice and assert their rights to claim entitlements under the Act. While the state is expected to play a pro-active role in communicating information and facilitating access to the employment opportunities under NREGS in the long run workers capacity to demand and negotiate employment is critical if the Act has to be an instrument in the hands of the worker for enhancing levels of employment and earnings, the issues involved in empowering workers are in the range of enhancement of knowledge levels, development of literacy skills and organizing workers enhancing social security levels of workers also need to be considered. Opening savings accounts of workers in banks and post offices that have been initiated need to be supported on a larger scale so that thrift and small savings can be encouraged among workers engaged in casual labour including NREGS workers under the cover of various life and health insurance schemes and improving the institutional capacity of Grama Panchayats will also raise their security thresholds.

Finally, through NREGS sustainable social and economic development in employment in their workers own near villages without migration cares the basic needs of the people which completely resolves the owing to their illiteracy and end with this programme has created an innate desire to work, grow and develop with inclination for continues and never ending improvement will yield a life of endless accomplishments and satisfaction. So that Poverty Alleviation Programmes could be properly implemented and real Rural Development could be realized.

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