Issues in labour market inequality and women’s participation in India’s National Rural Employment Guarantee Programme

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and

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Abstract: The National Rural Employment Guarantee Programme (NREGP), renamed in October 2009 as Mahatma Gandhi National Rural Employment Guarantee (MGNREGP) was a response by the then UPA government to the distress in rural India, particularly in the agriculture sector. By providing 100 days of work to a rural household, the Act provides an income supplement for poor households. The NREGA wage is critical in this aspect. Using data from the 2004-05 NSSO survey and NREGA data from official sites, the paper finds: (a) that women’s participation in the NREGA has been increasing; (b) statewise women’s participation in the programme is positively correlated with women’s participation in rural areas, though women’s participation in NREGA is often higher than women’s participation in other forms of recorded work so far; and (c) women’s participation is negatively correlated with the existing gender wage gap in unskilled agricultural labour. The latter implies that where women’s actual wages as a share of men’s is lower in the private sector, women are flocking to work in this government administered programme. This will inevitably raise women’s bargaining power, and is potentially a critical factor in reducing gender disparities in the labour market. The question of course is to what extent the implementation of the programme will adhere to the Guidelines and to what extent other considerations would influence the actual roll out of the programme in different state governments. The paper also finds that the achievements or outcomes of the NREGA as far as women are concerned are – as with any other government programme – influenced by the intervening institutions including both the gendered nature of the labour market and the efficacy or otherwise of the local government.

JEL classification: J21, J31, J38.

Resumen: El Programa Nacional de Garantía del Empleo Rural (NREGP), denominado a partir de octubre de 2009 como Programa Nacional de Garantía del Empleo Rural Mahatma Gandhi (Mahatma Gandhi National Rural Employment Guarantee, MGNREGP) constituyó una respuesta del entonces gobierno de UPA (United Progressive Alliance) a las dificultades en la India rural, particularmente en el sector agrícola. Mediante la asignación de 100 días de trabajo a un hogar rural, la Ley proporciona un ingreso complementario a los hogares pobres. El salario de la NREGA es crucial en este aspecto. Con base en los datos de la Organización Nacional de Estadísticas (National Sample Survey Organization, NSSO) para 2004-05 así como de las páginas oficiales de la NREGA, se han encontrado los siguientes hallazgos: (a) ha aumentado la participación de las mujeres en la NREGA; (b) en todos los estados la participación de las mujeres en el programa está correlacionada positivamente con la participación de las mujeres en las zonas rurales, si bien la participación de las mujeres en la NREGA suele ser mayor que la participación de las mujeres en otras formas registradas de trabajo; y (c) la participación de las mujeres está negativamente correlacionada con la brecha salarial de género existente en el trabajo agrícola no cualificado. Esto último implica que donde el salario real de las mujeres respecto al de los hombres es inferior en el sector privado, las mujeres están desplazándose massivamente a trabajar en este programa administrado por el gobierno. Esto inevitablemente aumentará el poder de negociación de las mujeres, y puede ser un factor crítico para reducir las desigualdades de género en el mercado de trabajo. Por supuesto, el interrogante es en qué medida la puesta en marcha del programa se ajustará a las Directrices y hasta qué punto otras consideraciones influirán en la extensión del programa a otros gobiernos estatales. Otro hallazgo ha sido que los logros o resultados de la NREGA en lo que respecta a las mujeres dependen – como en cualquier otro programa gubernamental- de las instituciones participantes, incluyendo tanto los aspectos de género en el mercado de trabajo como la eficacia o ineficacia del gobierno local.

Clasificación JEL: J21, J31, J38.
The Policy Integration Department

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1. Introduction

The National Rural Employment Guarantee Programme (NREGP) in India has completed over four years of implementation. In October 2009, the programme was renamed as Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP), but in the rest of the paper we continue to refer to it as NREGP. The Act for the programme was passed by the government in 2005 and implemented initially in 200 backward districts in 2006. The Act guarantees 100 days of work to rural households who undertake unskilled manual work, with 33 per cent of all workdays reserved for women workers. The return to power of the Indian National Congress government in the 2009 elections has been attributed to the implementation of this programme by some activists and political analysts in India.\(^1\) The objectives of the programme as stated in the Guidelines, are to enhance livelihood security while producing durable assets, empowering women, reducing distress migration and promoting social equity. The programme has certainly created additional work – in the financial year 2008-09, 45.1 million households were provided employment under this programme and 2,163 million person days of work was created.\(^2\) Women’s participation in this programme has been generally high on the average and increasing, though there are state level variations. This large participation by women is important in itself, and different in magnitude from previous public works programmes in India.\(^3\) It is therefore important to understand and analyse if and to what extent participation in NREGP benefits women workers and reduces labour market inequalities between women and men.

The NREGA was motivated by the fact that India’s recent economic growth had not reached large sections of the rural population and that this urban based growth, was deepening divisions in the economy and society. The nineties were termed as a period of ‘job-less growth’ as high GDP growth rates failed to generate adequate employment opportunities. In fact, during the mid to late nineties (1993-94 to 1999-2000) when annual GDP growth rates increased and stood at over 7 per cent per annum, employment growth rate declined and was only a little over 1 per cent per annum. While the share of the agricultural sector in total employment is reducing, albeit at a low pace, over half of the entire labour force is still engaged in agriculture. But agriculture contributes to less than a quarter of GDP, and is characterized by low productivity and low earnings leading to significant working poverty in rural areas. In 2004-05, the numbers of poor workers in rural India was estimated to be over 74 million (NCUES, 2007). A large share of women workers, especially, works in the agriculture sector. Distress migration from rural to urban areas has been a major phenomenon. But it has failed to create growth and enhance productivity in all sectors as expected in a Lewis kind of model and instead contributed to large informal sectors in urban areas and urban working poverty. Inequality as measured by consumption/expenditure distribution, has risen during 1993-94 to 2004-05, and this has widened disparities between the urban and rural areas as well as within urban and rural

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\(^1\) See for example Roy and Dey (2009), Bidwai (2009), Kumbhar (2009), Harikrishnan (2009).

\(^2\) NREGA website http://nrega.nic.in/.

\(^3\) The participation of women for example, in the Maharashtra programme was between 30 and 39 per cent, ODI (Gaiha and Imai, 2006).
India (Himanshu, 2007). This continuing challenge of poverty and inequality in India is linked to the segmented nature of the labour market, gender disparities in wages and participation and a weak (if at all) social security system.

It was in this scenario of overall crisis of employment and livelihoods, especially in rural areas, that the NREGA was conceived, and passed by the government of the then United Progressive Alliance (UPA). The UPA was led by the Congress party, and supported by the Left parties, and was voted in during the 2004 elections. The NREGA was an attempt at providing universal coverage towards a basic social floor. It is different from previous employment programmes to the extent that it is rights-based and demand-driven, and envisages local government and community participation in its implementation. And the 33 per cent reservation for women workers together with the effort to create women friendly worksites by providing child care at the sites certainly are reasons for increased women’s participation. Another potentially important impact is on women’s wages, since women’s market wages, especially, are usually lower than minimum wages.

The last few years of the implementation of the NREGP under intense public scrutiny has also shown that the programme is important enough to incite passions - and there are divergent groups and different understandings on how this programme is being implemented and who is gaining from it. Prior to passing of the Act by the Parliament, there was intense debate and discussion about the benefits and problems of this and past employment generation programmes. Consequently the NREGA was designed to minimize the well known problems of leakages and targeting in past programmes, including an incentive structure for performance and disincentive for non performance and accountability through periodic social audits for evaluation and improvement (Mehrotra, 2008). The continuing sheer number of articles, the critical opinions expressed and the debate that still surrounds the programme design and implementation are indicative of the public interest in this programme. It has been noted by some (see for example Bhaduri, 2005) that a properly implemented NREGA, has the potential for promoting a growth path based on people’s participation and a full employment society with dignity for the poor.

Some researchers have emphasized the importance of public employment schemes in reducing inequalities in women’s labour market access and poverty (see for example Antonopoulos, 2009). Khera and Nayak (2009) and Pankaj and Tankha (2010) have argued based on field research that even relatively small levels of NREGA employment for women in India have resulted in significant perceived benefits. This paper focuses on women’s participation in the NREGP and analyses the potential impact of the programme in the medium term on women’s access to wage work and wages of women workers in rural India, using available national and state level data. Women’s participation in wage work and the gender gap in wages are amongst the reasons for persistent poverty and inequality in India. Following the introduction, Section 2 focuses on the theory and rationale for employment guarantees and provides an analysis of the rationale of this employment programme. Section 3 analyses the current situation regarding women’s employment, especially rural employment in India and highlights the distress of women workers in rural India. Sections 4, 5 and 6 provide some insights into how the NREGP can potentially be beneficial for women workers by increasing their participation in wage work, by increasing their actual wages, and by enhancing their voice. It uses data from the NSSO's last quinquennial round in 2004-05 and official data from the Ministry of Rural Development’s (MORD) website on NREGP and refers to some micro level surveys.

4 However, as has been pointed out by Khera and Nayak (2009) the NREGA, as finally enacted, was a diluted version of the “citizen’s draft” which refers to the draft of the Act prepared by the groups campaigning for the NREGA.
Section 7 explores the evidence on poverty. The final section sums up and concludes with some observations on gender inequality and labour market institutions.

2. **NREGA as an employment guarantee**

Public employment programmes based on labour intensive technologies have been used in developed and developing countries, often as a response to crisis - during the depression, post war reconstruction, economic crisis, recession as well as during floods, earthquakes, etc. Since the early 1970s, quite a few developing countries have experimented with such programmes in Africa, Asia and Latin America. These include Indonesia’s Padat Karya, which was relaunched in 1998 after the economic crisis, Argentina’s Jefes De Hogar in 2002, Botswana’s labour Based relief programmes, South Africa’s expanded public works programme from 2004, Bangladesh’s Food for Work programme and India’s Maharashtra Employment Guarantee Scheme (Devereux and Solomon, 2006). The objective of these public employment programmes is to provide a form of social security by providing a basic income through labour intensive employment, while contributing to public assets. They typically provide a ‘fall back’ or ‘last resort wage employment’ opportunity for vulnerable groups who are unemployed and / or underemployed over the year. If properly planned, labour intensive public works programmes can act not only to alleviate poverty, but also enhance economic growth and social equity.

These programmes are based on a Keynesian aggregate demand strategy of direct job creation by the government for a full employment economy. These are usually targeted jobs programme, paying minimum wages, with an aim to create a social floor and have the potential to reduce poverty ‘in a politically digestible manner’ (Minsky, 1971 p. 20 as quoted in Papadimitriou 2008, p. 4). Minsky (1986) also argued that these ‘Employment of last Resort’ programmes based on government expenditure would be stabilizing for the economy. In most developing countries, with large informal economies, private sector demand is insufficient to provide full productive employment. Only the government can ‘divorce profitability from the hiring of workers and create an inelastic demand for labour’ (Minsky, 1986, p. 308). The rationale for these programmes are based on the premise that the government has an active role to play in promoting full employment in developing economies by assuming the role of the market maker for labour (Antonopoulos, 2009).

However, the extent to which these labour intensive public works programmes can have an impact on growth and equity, beyond simply being a last resort fall back coping option for poor households, depends on a number of issues. These include the planning of the programmes, the wage rate, the nature of works and thereby the types of jobs generated and the access and availability of work for women and men.

The main criticism against these programmes have been that they are expensive, ridden with corruption and therefore benefits often do not reach the beneficiaries but are siphoned off by others. In short, these programmes often fail to target the poor and the needy mainly due to design and implementation challenges.

The National Rural Employment Guarantee Programme of India was passed as an Act by the government in 2005 and for the first time ever, it legislates the ‘right to employment’. It was initially implemented in the 200 identified backward rural districts in 2006 and in 2008 expanded to cover all rural districts of the country. The actual roll out of the programme is determined by each State government. Its objective, as stated in the NREGA Guidelines, is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment at prevailing minimum wages for rural unskilled labour in a financial year to a household, while generating productive assets, protecting the environment, empowering rural women, reducing rural to urban distress migration and promoting social equity. It therefore proposes ‘a rights- based, job- oriented way’ to
growth and development – rather than being a resource based employment scheme. Other unique features are its self selection and demand orientation. This means that only those who are in need would apply for work under this programme and if they do, the government is obliged to provide such work, or give them an unemployment benefit. The Act also does away with contractors, a departure from previous public employment schemes, and specifies that the labour capital ratio in the public works programmes must be at least 60:40. The Right to Information Act was passed by the government in 2005, prior to the NREGA, and it was expected that this would help to restrict or minimize leakages from the NREGA, a usual major problem in past public employment schemes.

Several provisions in the Operational Guidelines for the NREGA seek to encourage women’s effective participation in the programme, both as workers and as managers of the programme. The guidelines spell out clear instructions for equal payment of wages for men and women and that at least one-third of the beneficiaries shall be women who have registered and requested for work under the scheme. A creche is to be provided if there are more than five children under 6 years of age and that payment to the creche in charge will not be included as part of the work measurement. As per the guidelines, each work shall be monitored by a local Vigilance and Monitoring Committee which shall be composed of members from the immediate locality or village where the work is undertaken, to monitor the progress and quality of work. The Gram Sabha is expected to ensure that women are represented on this Committee. The guidelines mention a social audit forum to be convened by the Gram Sabha every 6 months as part of the continuous auditing process, and that the timing of the forum should be convenient in particular for NREGP workers, women and marginalized communities. By recognizing single persons as a ‘household’, the act makes it possible for widows and other single women to access this work.

To promote women’s participation in the NREGA, some state governments have introduced specific features to the scheme. Andhra Pradesh, Bihar and West Bengal have introduced different (reduced) task rates for women. Some states such as Kerala and Himachal Pradesh pay the minimum wages based on a day’s work, not piece rated, which has enabled women to attain stipulated minimum wages more easily than under a piece rated system. States, such as Andhra Pradesh and Orissa were the first to pay wages through a bank account to ensure that leakages are minimized. Since September 2008, the government has made it mandatory to switch to bank payments to minimize corruption, although the roll out of this provision is contingent on the speed with which individual bank accounts can be opened. Khera and Nayak (2009) asked women in surveys about their preference, and about 53 per cent preferred to be paid through the bank. However, payment through bank accounts could have a negative impact for women if the woman worker has no control over the family bank account. Perhaps it would be better if there were different job cards for each adult member of the households, and different bank accounts for men and women in the household. At present, job cards are issued to households although payments are then made into individual bank accounts.

3. Women’s employment in rural India

Women workers constitute about 32 per cent of the Indian workforce and their share in employment has been on the rise (NSSO data). Most of these women workers are based in rural India. This is because typically rural areas are poorer, and poorer women are more often in paid employment than women from better-off households where social norms and

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5 The Gram Sabha is the village level council.

patriarchal values restrict women’s entry into the labour market. In rural India, labour force participation rate for women in 2004-05 was 36.6 per cent as compared to 22.3 per cent for urban women. But in recent years, the urban labour force for women is growing at a faster pace than that of rural women (for urban women from 19.7 per cent in 1999-2000, and for rural women from 34 per cent). However, there are also very significant differences across states in India.

Of the 132 million women workers in rural areas in 2004-05, over 8 per cent were subsidiary workers. Between 1999-2000 and 2004-05, there has been an increase in women’s labour force participation rates, but between 1993-94 and 1999-2000, there was a decline. One explanation for this decline is provided by Sarkar (2008) who notes that this decline is largely attributed to a decline in the female subsidiary labour force, possibly discouraged or crowded out of a labour market when opportunities were few (Sarkar, 2008).

While the unemployment rate is usually low in developing countries and in India, it is clear that there has been a rise in unemployment over the last two decades. In the mid nineties, for the first time, rural female unemployment, especially for the age group 15 to 19 and 20 to 24 was observed to be substantial, standing at 4.2 per cent and 4.9 per cent respectively for the two age groups for rural usual principal status women workers. During the two decades from mid 80s to 2004-05, women’s unemployment rate doubled in rural areas while it increased by about half in urban areas. Moreover, rural women’s usual status unemployment rate for the age group 15-29 was 7 per cent in 2004-05 while it was 5.2 per cent for rural men for the same age group.

More than four fifths of all women working in rural areas are engaged in agriculture (83.3 per cent, 106 million), which is the least productive sector in India and characterized by widespread poverty. While there has been a decline in the share of all workers in agriculture as compared to other sectors, and a decline in men in agriculture, the share of women in agriculture has been on the rise. Indeed, the share of women in agriculture increased from 39 per cent in 1999-2000 to 42 per cent in 2004-05. State level NSSO data shows that there has been a rise in female agricultural workers in 12 of the 15 major states in India and in some states, women constitute more than half of all agricultural workers (Haryana, Himachal Pradesh, Maharashtra, Rajasthan and Tamil Nadu). Women therefore, are finding it harder to shift away from agriculture (ILO), while men are moving out of agriculture, possibly migrating to urban or semi urban areas in search of better opportunities. In agriculture, women are engaged as cultivators/farmers, casual wage labour and unpaid family workers. There is therefore a clear feminization of agriculture (Kanchi, 2009).

Since a large share of women workers are engaged in agriculture and many of them as casual wage labour, the trend growth rate of agricultural wages is an important indicator of women’s wellbeing in rural areas. Figure 1, taken from Karan and Sakthivel (2008) shows that rate of growth of real agricultural wages, while rising, has been lower than that of non-agriculture.

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7 See Sudarshan and Bhattacharya (2008) for a thorough probe on reasons and constraints on women’s labour force participation based on a sample survey in New Delhi.

8 Agricultural labour households and the self-employed in agriculture account for 41 per cent and 22 per cent of the rural poor respectively. Women not only form a predominant section of the poor but also experience its adverse effects more intensely than men (Kanchi, 2009).
The figure demonstrates that non-farm wages and its annual growth were higher than those of agricultural wages during the period 1983/1993-94, and this difference has only widened during the period of 1993-94/2004-05. The lower agricultural wages also possibly explain the reason why men are moving out of agriculture and women are left behind.

To sum up, workers in rural India, a majority of who are illiterate and unskilled, have few opportunities but to engage in agricultural activities. It appears that while men often manage to move out into other activities or migrate to other areas in search of work, women have fewer options. They remain as a flexible labour force in agriculture - as own account workers, casual agricultural labour or unpaid family workers. Rural female unemployment has also been on the rise, and is higher than rural men’s unemployment rate.

The NREGA is important because it provides an opportunity for women to work in their villages, and secondly since it is supposed to be at minimum wages, it has an impact on wages/earnings of women. To the extent that the NREGA brings together many similarly situated women in the workplace, it provides an opportunity for organization and women’s voice. The following three sections examine each of these issues, and where possible uses available data to assess the impact, both actual and potential, that the NREGA has on women workers.
4. Impact of NREGA on women's work participation

Data from the official site of the government show that share of work days going to women in NREGA has been on the rise (Fig. 2). On the whole it was 368 million (40 per cent) in 2006-07, 475 million (44 per cent) in 2007-08, 1,036 million (47.8 per cent) in 2008-09; 1,364 million (48.1 per cent) in 2009-10 and in the current year, so far 359 million (49.5 per cent).\(^9\)

![Fig. 2. Women's share in NREGP employment](image)

Women’s participation varies across states and across districts within a state. While the Act desires that at least one third of the work days generated should go to women, the actual proportion varies (ranging from 4 per cent in Jammu and Kashmir to 85 per cent in Kerala, 2008-09).

There is, in general, a correlation between women’s work participation in rural areas as measured in the NSSO 2004-05 survey and the share of work going to women in the NREGA in 2008, as shown in the scatter plot below. Kerala seems to be an outlier, where women’s rural workforce participation rates are about average as per the 2004-05 data, but share of NREGA works going to women is the highest. This may imply a latent demand for work by women that has been realized by the NREGA.

There is however, in a majority of states, a difference between women’s participation in NREGA and women’s participation in the rural workforce, as per data from 2004, prior to the implementation of NREGA, with the latter being lower. This is also true, in general, when rural and urban workforce participation rates are compared with participation in NREGA. NSS data on women’s work participation rate (WPR) (principal + subsidiary status) and the percentage of workdays going to women on NREGA shows that in Rajasthan and Tamil Nadu for example, women account for over 70 per cent of the workdays in NREGA while the WPR (PS + SS) from the NSSO is just around 40 per cent. Rajasthan stands out for several reasons – largest number of workdays generated overall, one of the highest proportions going to women – and the only state where the share of women in NREGA has actually fallen from since 2006. In Gujarat, Maharashtra and Uttar Pradesh however women’s overall WPR is greater than their share in the NREGA. However, in general, as Chandrashekar and Ghosh (2009) note, as far as recognized economic activity goes, women are participating in NREGA much more actively than they participated in other forms of recorded work. Part of this could be due to the fact that so far the NSSO data in India has failed to recognize women’s work, and a lot of women who would be involved in unpaid work are now getting a chance of paid employment which is showing up in official data.

The implementation of NREGA has been decentralized and the panchayat\textsuperscript{10} plays a critical role – in certifying eligibility and issuing job cards, deciding when to open a worksite, what the nature of work will be and monitoring the works done. In practice the district administration continues to play an important role particularly in deciding the nature of works. Technical approval to proposals is one of the factors slowing down or limiting

\textsuperscript{10} The Panchayat is the elected village council in India. It is the third tier of the government structure.
choices. Women are represented in all panchayats with a reservation of 33 per cent (now 50 per cent) for women. In understanding the actual outcomes from NREGA we need to understand the nature of local dynamics, power struggles and dominance. For example, despite the legal guarantee, there are reports that single women find it difficult to get work. As is to be expected, the behaviour of local institutions shows the influence of local politics and interests. Traditionally certain groups hold a position of dominance, for reasons to do with caste, gender, income, etc. The NREGA in contrast seeks to be inclusive of all groups and ensure assistance and outreach to the most marginalized persons. To ensure that there is a local consensus on these concerns to match the national consensus calls for the creation of ‘pre conditions’ - typically through mobilizing, organizing and training, including information, education and awareness raising efforts, with special effort to involve women.

States where persondays of work created for women has been greater than the stipulated 33 per cent include Kerala, Tamil Nadu, Rajasthan, Sikkim, Andhra Pradesh, Tripura, Chhattisgarh, Karnataka, Meghalaya, Maharashtra, Manipur, Nagaland, Madhya Pradesh, Orissa, Uttarakhand, Mizoram, Himachal Pradesh, Gujarat (2008-09 data). States where the share is lower include Bihar, Jharkand, Haryana, Assam, West Bengal, Punjab, Uttar Pradesh, Arunachal Pradesh, Jammu and Kashmir. Overtime, states with lower shares are under pressure to reach at least the 33 per cent level. Why women’s participation varies so much across states depends on a number of factors - reasons range from socio-cultural norms around women's work, mobility and intra household allocations of roles and responsibilities; individual household factors like levels of care responsibilities and numbers of adult women in the house; health status; opportunity costs – other market opportunities and market wages for men and women; efficiency of implementation and information flows to and within households; mobilising by NGOs and activists; in the case of Kerala, the fact that Kudumbashree, the state poverty eradication mission which is wholly managed through women's groups has been placed in charge of NREGA implementation has also made a difference to the level of women's participation.

From the start, Rajasthan has shown the highest number of workdays generated through NREGA. The numbers of men and women recorded as participating in the programme shows increase. The increase is much more for men, bringing down the proportionate share of women. It does seem that initial lack of enthusiasm on the part of men led to women largely accessing the programme. But as wages, area covered and awareness all increase, there has been a huge response from men as well. The active part played in social audit and awareness campaigns by activist groups in Rajasthan has been an independent factor stimulating the programme growth.

Provision of child care facilities is one of the entitlements provided under the NREGA to encourage women to work. While this is a welcome development, surveys and anecdotal evidence suggest that this provision is not always available. While some workplaces in some regions have indeed provided crèches for children at the worksite, there are others that have not. In Focus Group Discussions that were carried out in Sirohi by the ISST, it appears that small girls have been taken out of school to look after younger siblings while the older women folk work in the NREGA sites. As one participant observed ‘we will fill our stomachs first, study comes later’ (Bhattacharya and Sudarshan, 2008). Situations such as these are likely to create their own sets of problems, promoting girl child labour in the


12 For an example of the influence of mobilizing on NREGA outcomes see Khera (2008).

13 Wages earned from NREGA worksites in the district have gone up from an average of 50 rupees (INR) in 2006-07 to 79 in 2009-10, as shown on official NREGP government website.
home. On the other hand, enhanced family income may lead to withdrawal of children from paid work. It is therefore not enough to provide work under the NREGA, but equally important to create the right conditions for women’s work, such as adhering to the basic entitlements in the guidelines. While more research is required on the relations between NREGP participation and impact on children of participating households, one completed study by Uppal (2009) on Andhra Pradesh finds statistical evidence that programme registration reduces the probability of a boy entering child labour by 13.4 per cent and for girls by 8.19 per cent.

In spite of the provisions in the Guidelines of the Act for promoting women’s participation in the NREGA, local dynamics, gender relations and implementation challenges create several constraints for women’s meaningful participation. Khera and Nayak (2009) suggest that possible ways to strengthen women’s participation is to move from a household entitlement of 100 days to women’s entitlement of 100 days of work.

Another issue worth noting is that the largely construction nature of the works could be a deterrent to women’s participation. The South African Expanded Public Works Programme, for example, includes social service delivery in health and education as part of the identified works. This has had a particularly positive impact on gender equality by enhancing women’s participation and by converting women’s burden of unpaid work into paid employment (Antonopoulos, 2009). While women’s participation in the NREGA has been higher compared to past employment programmes, had the choice of works also included social service delivery as in the South African case, it is possible that the impact on women’s participation, family health and wages could have been more beneficial.

5. The impact of NREGA on women’s wages

Wage setting in public works programmes is a critical policy issue. This is because there is normally a divergence between the prevailing market wages, the state legislated minimum wage and the programme wage. Some believe that targeting and self selection of the poor in public works programme requires that wage be set at less than market wages. It has been noted that in the Maharashtra Employment Guarantee scheme prior to 1998, when the minimum wages were lower than the actual market wages, the programme was successful in reaching the poor. But after 1998 minimum wages doubled – and this led to increasing expenditure, rationing of the programme and consequently an erosion of the employment guarantee (del Ninno, Subbarao and Milazzo, 2009). O’Keefe (2005) also suggests that an employment guarantee scheme where the wage is set at the minimum wage which is higher than the market wage, is likely to result in poor targeting.

Normally, in countries where there is a state legislated minimum wage, the wages for the public works programme cannot be lower and are set at the minimum wage. The main concern is the balance between providing a decent livelihood and ensuring that the poor have access to the programme, and keeping the fiscal burden on the government at manageable levels. A review of wage setting in public works programme show that in past public works programmes in India, as well as in the public works programmes in Argentina 1996, Uruguay 2003, South Africa 2004, Indonesia 1998, Thailand 1998, Zambia 2002, wages were set at minimum wages, which were higher than market wages. In Korea in 1998, the minimum wages were lower than the public works programme wage which was lower than the market wage. But in Mexico in 1995, in Peru in 2002, Malawi in 1995, Algeria in 1994 and Yemen in 1996 programme wages have been set below the minimum wage. In Bulgaria in 1992 and Chile in 1993, on the other hand, programme wages were set at minimum wages plus social contributions (del Ninno, Subbarao and Milazzo, 2009).
Given that these programmes while self targeting the poor are meant to alleviate poverty and provide a social floor, and that these are government programmes, it is essential that wages are set at least at the legally stipulated minimum wages. Minimum wages are based on economic considerations on minimum needs for survival. A wage less than the stipulated minimum wage would violate the basic provisions of equity and justice.\textsuperscript{14}

\textsuperscript{14} In a court case in 1983, the Supreme Court of India had ruled that any law which sought to derogate from the payment of the minimum wage was \textit{ultra vires} (or, action outside the agreed powers of a particular body) “Whenever any labour or service is taken by the state from any person, whether he be affected by drought, scarcity conditions, or not, the State must pay, at the least, minimum wages to that person on pain violation of Article 23”, Varadarajan (2005).
Table 1. Daily Minimum Wages and Actual Wages of Male and Female Agricultural Labourers, State-wise, 2004
(In rupees)

<table>
<thead>
<tr>
<th>State</th>
<th>Minimum Wage</th>
<th>Actual Wage Men</th>
<th>Difference Men</th>
<th>Actual Wage Women</th>
<th>Difference Women</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3) = (2-1)</td>
<td>(4)</td>
<td>(5) = (4-1)</td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>52.00</td>
<td>59.88</td>
<td>7.88</td>
<td>32.71</td>
<td>-19.29</td>
</tr>
<tr>
<td>Assam</td>
<td>50.00*</td>
<td>69.70</td>
<td>19.70</td>
<td>55.06</td>
<td>5.06</td>
</tr>
<tr>
<td>Bihar</td>
<td>50.00</td>
<td>58.27</td>
<td>8.27</td>
<td>44.47</td>
<td>-5.53</td>
</tr>
<tr>
<td>Gujarat</td>
<td>50.00</td>
<td>69.15</td>
<td>19.15</td>
<td>51.41</td>
<td>1.41</td>
</tr>
<tr>
<td>Haryana</td>
<td>84.29**</td>
<td>84.73</td>
<td>0.44</td>
<td>75.87</td>
<td>-8.42</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>65.00</td>
<td>123.00</td>
<td>58.00</td>
<td>84.60</td>
<td>19.60</td>
</tr>
<tr>
<td>Jammu and Kashmir</td>
<td>45.00</td>
<td>121.71</td>
<td>76.71</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Karnataka</td>
<td>56.30</td>
<td>59.29</td>
<td>2.99</td>
<td>36.23</td>
<td>-20.07</td>
</tr>
<tr>
<td>Kerala</td>
<td>100.00^</td>
<td>238.71</td>
<td>138.71</td>
<td>100.13</td>
<td>0.13</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>56.96</td>
<td>50.95</td>
<td>-6.01</td>
<td>36.58</td>
<td>-20.38</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>48.00</td>
<td>63.00</td>
<td>15.00</td>
<td>34.09</td>
<td>-13.91</td>
</tr>
<tr>
<td>Orissa</td>
<td>52.50</td>
<td>54.11</td>
<td>1.61</td>
<td>39.33</td>
<td>-13.18</td>
</tr>
<tr>
<td>Punjab</td>
<td>87.59</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>67.30</td>
<td>82.94</td>
<td>15.64</td>
<td>48.58</td>
<td>-18.72</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>54.00</td>
<td>117.21</td>
<td>63.21</td>
<td>39.61</td>
<td>-14.40</td>
</tr>
<tr>
<td>Tripura</td>
<td>50.00</td>
<td>74.33</td>
<td>24.33</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>58.00</td>
<td>60.56</td>
<td>2.56</td>
<td>50.58</td>
<td>-7.42</td>
</tr>
<tr>
<td>West Bengal</td>
<td>107.99**</td>
<td>84.48</td>
<td>-23.51</td>
<td>49.63</td>
<td>-58.36</td>
</tr>
</tbody>
</table>

Notes:
(1) Minimum wage refers to the daily wage stipulated for unskilled agricultural worker as on 31 December 2004.
(2) Actual wages for men and women refer to wages from ploughing and weeding respectively.
- Not reported.
* Wage with food, shelter and clothing.
** Wage with meal.
^ Wage for light work.

Source: Reproduced from Chavan and Bedamatta, 2006.

In the initially issued NREGA guidelines, wages were fixed at the minimum wages as per law for unskilled agricultural work at the state and this had to be at par with wages for other development works in that state, and subject to revision on a regular basis. These unskilled agricultural wages vary across states – and in 2006 when the NREGA was first implemented they ranged from INR45 in Jammu and Kashmir to INR100 in Kerala. The actual agricultural wages paid however, are often higher than or lower than the stipulated minimum wages. But what is important to note here is that there is a clear gender issue - wages paid to women unskilled agricultural workers are usually lower than the wages paid to men, and wages paid to women are almost always less than the stipulated minimum wage as this Table 1 from Chavan and Bedamatta (2006) show. Based on a detailed study of agricultural wages in India using the 2004-05 NSS data, they have shown that in rural India there is a very significant gender gap in wages, as well as institutional constraints to the payment of minimum wages to women workers. When women’s actual wages are
taken as a share of men’s, based on the data in Table 1 above, we find that they range from 34 per cent in Tamil Nadu to 90 per cent in Haryana.

When women’s actual wages as a share of men’s wages in unskilled agriculture from Table 1 is plotted against women’s participation in NREGA in 2008-09 in different states, an inverse relation is noted (Fig. 4). The Adjusted R-square for the regression is 0.69 and the coefficient is significant at the 95 per cent confidence level. Once can infer from this that in states, where the gender wage gap is higher, women’s participation in NREGA is higher. Women therefore have looked upon NREGP, a government administered programme where at least in theory minimum wages are to be paid, as a viable alternative. Therefore women’s participation is higher in states where the initial condition in unskilled agriculture work is more unequal between women and men. Furthermore, because NREGA is often a household entitlement, it may be a household decision for women to work on NREGA sites while the men seek work elsewhere given that wages in NREGA are likely to be higher than prevailing market wages in agriculture for women.

![Fig.4. Relation between initial gender gap in actual wages and women's participation in NREGP](image)

Secondly, Table 1 also shows that men’s wages are usually above the minimum wage while women’s wages are below the minimum. Therefore NREGA may have no direct upward impact on men’s actual wage. But the NREGA can be expected to exert an upward pressure on women’s agriculture wages. One state where some upward effect on women’s

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15 The regression equation is \( y = 95.4 - 0.66 \times \) for 15 states (Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal). The Adjusted R-square is 0.69 and the coefficients are significant at the 95 per cent confidence level. The NREGP women’s participation here refers to the year 2008-09. But largely similar results emerge when data in women’s participation in NREGP for the years 2006-07 and 2007-08 are used as well.
wages has been recorded is Kerala. Whether this has an effect on the gender wage gap will depend on how men’s market wages move. Such data is not readily available.

The finding of this paper on the negative correlation between gender gap in actual wages as per the 2004-05 NSSO data and women’s participation in NREGP has implications for NREGA as an institution promoting gender equity in rural India. While the primary objective of the NREGA was to provide a social floor, we believe that NREGA can indeed be a forceful tool to minimize gap between women’s actual wage and minimum wage in rural India, given the unequal gender relations that currently prevail. The fact that more women work in NREGA in states where the gender wage gap is higher implies that in these states the NREGA wage is likely to push up women’s actual wage in agriculture. This may lead to a reduction in the gender wage gap, if men’s wages do not increase proportionately. Seguino and Grown (2006, p. 2) have noted that often mainstream and Keynesian policies do not address gender equality, and if they do it is as an afterthought. Certainly promoting gender equity was one of the objectives of the NREGA, though not a primary objective. However, the impact NREGA may have on wages, provided it is being implemented as per the guidelines and minimum wages are being paid, may in the initial stages have a major gender outcome.

A recent paper based on field research by Khera and Nayak (2009) have noted that NREGA employment was considered to be attractive for women because it promises to pay the statutory minimum wages. They note that NREGA wages imply a substantial jump in the earning potential of women and as per their survey data the average wage earned by women in the private labour market ranged from INR47 to INR58 per day whereas the NREGA earnings were INR85 per day. This is “clearly a huge increase over previous earning opportunities”. They also note that many women who were earlier not working because the wages being paid were too low are now coming out to work. This explains, perhaps, the higher participation of women in NREGA as compared to other forms of work in rural areas as noted in the previous section.

It is also to be noted that there has been an upward revision of minimum wages for unskilled agricultural workers in several states since the NREGA was passed. Jharkhand and MP witnessed an upward revision in 2006. Haryana, Himachal Pradesh, Karnataka, Maharashtra, Orissa, Punjab, Uttar Pradesh and West Bengal revised their minimum wages in agriculture in 2007. Two states, Uttar Pradesh and Haryana revised their minimum wages by 72 per cent and 53 per cent each so that these two states now have amongst the highest minimum wages after Punjab and Kerala.

It is noteworthy that under the NREGA guidelines, the Central government bears the full cost of the wage bill. Therefore a rising NREGA wage bill does not really affect the state government. But the central government, which pays for the programme would be inclined to keep the wage bill down so as to prevent its fiscal commitments from rising.

This across the board emphasis on raising agricultural minimum wages has caused concern in some quarters. The NCAER report (2009) notes that to a certain extent justified revisions in wages do need to be carried out from time to time keeping in view the general increase in the cost of living, but large revisions, as has been observed recently, send perverse signals. The report further points out that this may undermine targeting of the

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16 See ISST (2009); Jacob and Varghese (2006).

17 This has also been noted in Pankaj and Tankha (2010) based on their field work in four states.

18 See Khera and Nayak (2009, p. 51).
poor as well as discourage normal labour mobility. Therefore they recommend that wages in the NREGA be set at below the market wage (NCAER, p. 192).

The upward revision of wages in several states has also prompted the Finance Minister in his budget speech in 2009 to note that ‘We are committed to providing a real wage of INR100 a day as an entitlement under the NREGA’. At present there are 20 states in India where the minimum wages are less than INR100 a day. If the wage rates in these states are revised to become INR100, then the wages paid under the NREGA as stipulated under Section 6A of the NREGA guidelines will be equivalent or more than the minimum wages for agricultural labour under the Minimum Wage Act 1948. The barring of wages at INR100 per day is seen as an attempt by the Central Government to prevent states from raising their agricultural minimum wages further, as may happen in the near future.

The upward pressure on NREGA wages is likely to have an impact on agricultural wage, and hiring decisions of agriculture labour to the extent that may raise the actual wages paid to agricultural workers. In fact Basu, Chau and Kanbur (2007) point out that a difference between the design of the NREGA and the Maharashtra EGS is that the latter stated that labour for the EGS would not compete with agriculture labour while there is no such condition in the NREGA. Therefore it is more likely that NREGA wages will affect agriculture wages. However, if men earn higher than minimum wages on the average, the NREGA wages may not have much impact on men’s wages. But for women workers in agriculture, the NREGA wages are likely to pull up actual wages and potentially reduce the male-female wage gap.

6. Impact on women’s voice

For the first time, a public works programme has been started which is a guarantee and in which works must be started if there is a demand. Even soon after the programme was launched, fieldwork in 2007 showed a higher level of awareness about NREGA than of other government programmes. Since then, the widespread interest in the programme and the involvement of a range of persons in social audits has meant continued increase in general awareness. However, the works are to be opened in response to a demand for work that needs to be formally conveyed to the panchayat and this fact is still not widely known. In theory at least the programme is intended to be demand driven and not supply driven. This has meant that many local groups have turned their attention to NREGA implementation (with examples of such interest across the country). Fieldwork by the ISST in Rajasthan showed that organized youth activists are able and willing to contest any observed malpractices in NREGA implementation. Similar protests have been mooted by women’s groups in Uttarakhand. Social audits have been conducted by women’s groups

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19 See MORD (2009).

20 Ibid.

21 See ISST (2007). For example in Abu Road Rajasthan, while only 53 per cent of the sample surveyed had knowledge about the NREGA, just 11 per cent were aware of other employment programmes. Similarly in Sundargarh, Orissa, 80 per cent of the sample knew of the NREGA but just 10 per cent of other programmes.

22 A panchayat is a village level administration in India.

23 ISST Fieldwork and focus group discussion with youth in Pindwara Block, Aug. 2009.

24 Focus group discussion with women’s collective, Rauna Village, Almora district, May 2009.
and NGOs in many places and discrepancies recorded. Although this kind of ‘citizen consciousness’ may have had limited impact on leakages and other malpractices, conflicts over implementation issues between groups at village level should be seen as a positive factor, an indication of empowerment and the strengthening of ‘voice’.

By giving panchayats the ability to choose works, the NREGA further opens up the opportunity for the exercise of voice at local and village levels. The panchayats however have not in the past been expected to develop village level plans and the expectation from them has been more one of implementation than planning. The southern states, where the decentralisation process has been stronger, present a different picture. Thus in Kerala, the implementation of NREGA is given over to the Kudumbashree programme, which is the state poverty alleviation programme, and which is implemented through women’s self help groups. Here, the supervision of each NREGA worksite is the responsibility of the Area Development Supervisor, a woman who already has experience of management and leadership of a group of women engaged in various micro enterprises. Kudumbashree is a form of organizing that has the full support of the government and hence interaction with the panchayat is congenial. While non government groups could play a similar role in theory, in practice the interaction with panchayats tends to be conflictual.

7. Impact on Poverty

To the extent that NREGA increases the income and purchasing power of poor rural households, it will have an impact on poverty. According to a recent official statement, the average wage paid has gone up, and per household earning has increased from INR2,795 in 2006-07 to INR4,060 in 2008-09. (At a daily minimum wage of INR100 and work for 100 days, the maximum contribution through the NREGA to household income would be INR10,000 per annum). The number of households provided work under the programme has gone up from 21 million households in 2006-07 to 45.1 million in 2008-09. This has led to a ‘significant dent’ in poverty with additional income going towards purchase of food grains, other food items, education and health.

Field research suggests that this additional income gets spent mostly on food, and then on health and other necessities including clothing. Many of the available field based studies have examined the situation in Andhra Pradesh or Rajasthan, two states that have been proactive about implementation. A survey of 1,443 households in three states (Rajasthan, Andhra Pradesh and Bihar) in 2009 carried out by the Institute for Human Development finds that the NREGS contribution to household income through wages was 16.5 per cent in Rajasthan, 9.62 per cent in Andhra and 8.39 per cent in Bihar, an additional income that was primarily spent on food. Another recent study based on an initial baseline of 1,066 households and panel data of 320 households in Andhra Pradesh finds that NREGS ‘improves food security and reduces anxiety levels among participating households’. The increase in food expenditure amounted to 15 per cent from the pre-intervention level for the poorest households, and 7 per cent for all participants. The result of the additional income is a fall in poverty in the group.

A field survey in Abu Road, Rajasthan done by ISST found that 75 per cent of the responses to the question on ‘how is NREGA income used’ were ‘food and basic needs’ (56 per cent) or ‘health’ (19 per cent).

25 See, for example, Datt (2008).
26 See Financial Express (2010).
27 See Reddy et al. (2010).
Other uses included paying back loans and some saving has also been recorded.\textsuperscript{29} A field survey in 2008 carried out in six North Indian states similarly found that 67 per cent of the women said that NREGA had helped to reduce hunger and 46 per cent said it had helped to avoid illness.\textsuperscript{30}

There is scattered and anecdotal evidence suggesting that seasonal ‘distress’ migration has come down as a result of NREGA work availability.\textsuperscript{31} However there is no systematic evidence that migration patterns have been influenced as yet.\textsuperscript{32} Currently, official migration data does not capture short distance and short duration migration, but it is precisely this group that is likely to make different choices and if work is available within or near the village to choose this over low paid and insecure work at a distance. Thus in Abu Road, while 50 per cent of men and 80 per cent of women worked within five kilometres of home, a good 40 per cent of the men and 15 per cent of the women worked outside the village but within the block. It was mentioned earlier that the number of men seeking work on NREGA has increased substantially in Rajasthan over the last few years, and it is possible that this is the result of some shift in work choices away from ‘commuting’ or short distance migration to work on NREGA sites nearer home.

There are different findings on the composition of the participating households. One of the main concerns of the NREGA, as with other public works programmes, is programme capture by the non poor. Jha et al. (2008) use pooled household data for the states of Rajasthan and Andhra Pradesh and find that the size of landholdings is a negative predictor of household’s participation in the programme. This means that the programme is benefitting the poor, who are the main target of the programme. However, they also find that when this analysis is done at the level of the two states, this finding holds for the state of Rajasthan, but not for Andhra Pradesh and they conclude that the higher level of inequality in Andhra Pradesh than in Rajasthan translates into higher leakages and higher incidence of capture. But another study analyzing official data for Andhra Pradesh comes to a different conclusion. This finds that only 16 per cent of households participating in NREGA also received a housing subsidy under a state government programme intended for the poorest of the poor. However fieldwork suggested that of the two programmes, NREGA is better targeted and the self targeting approach of NREGA was enabling the poorest households to benefit.\textsuperscript{33}

The fact that a significant share of NREGA workers—both women and men are from the disadvantaged groups, would indicate that NREGA employment has had some impact on poverty of these households too. Scheduled castes and scheduled tribes together make up about 40.3 per cent of all NREGA workers.\textsuperscript{34} This is no surprise as these groups are more

\textsuperscript{29} See ISST (2007); Bhattacharya and Sudarshan (2008).

\textsuperscript{30} See Khera and Nayak (2009).

\textsuperscript{31} See Dreze and Khera (2009).

\textsuperscript{32} For recent assessments of the impact of the NREGA see Dreze and Oldiges (2009), Dreze and Khera (2009).

\textsuperscript{33} See Johnson and Tannirkulam (2009).

\textsuperscript{34} Figures from the official website –http://nrega/home.aspx, from National Report in 2010-11.
likely to be poor as their access to jobs, markets, and services is more limited. Khera and Nayak (2009) observe that about 70 per cent of all NREGA workers in their sample were from the SC/ST categories.

The poverty impact has been measured at household level. To assess the gendered impact information will be needed on the intra household implications. In particular the actual or possible impact of participation in the NREGA on care work needs to be determined. There are some disturbing aspects of the programme that partially reduce the poverty impact – for example school going girls staying back to help with household chores and child care when mothers are at work (as noted in Ravi and Engler, 2009; ISST, 2007; Bhatti, 2006; Narayanan, 2008) has to be set against the increased expenditure on education noted by surveys. Similarly, women’s control over the earnings depends on various factors. While payment through banks or post offices could increase their control, this will be so only when several assumptions are met (banks are close to residence, women know how to operate their own accounts). Until then, delays in receiving the payment might make NREGP a difficult option for single women, female headed households or the poorest for whom regularity in earning is crucial.

The impact of the programme on poverty is a result of income transfer and immediate relief. There is far less evidence of any longer term impact on poverty, as this would depend on the creation of assets stimulating local development or acquisition of skills etc. As Hirway (2004) points out, the objectives need to be threefold – ‘poverty reduction, construction of productive assets and promoting mainstream employment subsequently’. It is worth noting that the MEGS did not lead to faster reduction of poverty in Maharashtra compared to the rest of India.

8. Concluding remarks

As has been discussed in the paper, the distress in rural India, particularly in the agriculture sector, where large numbers of poor Indians live and work, prompted this employment guarantee. By providing 100 days of work to a rural household, the Act provides an income supplement for poor households, especially during the slack agriculture season when demand for labour in agriculture is low. To the extent that those in need of such a fall-back option are able to access it when required, the NREGA provides a social floor for income and consumption and introduces stability in annual household income. By increasing disposable income of poor households, the NREGA creates the conditions for a consumption based growth path. It also promotes participation of the local people and the poor in choice of assets to be created. The programme can act as an automatic macroeconomic stabilizer. Furthermore, the 33 per cent reservation for women in all works, and the stipulation of equal wages for women and men are attempts at providing women with alternatives in rural areas that are not discriminatory. Therefore, at least in its design, the NREGA charts out an equitable development path that is rights based and full employment oriented.

The NREGA wage is critical in this aspect. If NREGA wages are fixed at minimum wage for agriculture labour, in theory it creates competition with agriculture labour hiring decisions. This could raise the reservation wage for agriculture to the extent that actual wages being paid in agriculture are lower than the minimum wage. The paper notes that

35 Mehta and Shah (2003) and Shah, Mehta and Bhide (2006) find that chronic poverty, especially, is disproportionately high among casual agricultural labourers many amongst who are scheduled castes and scheduled tribes.

there is a gender issue in the impact of NREGA on wages because the actual unskilled agricultural wages paid to women are invariably lower than those paid to men, and women’s wages, more so than men’s, are below the minimum wages. Therefore, in theory, the NREGA being a government programme where wages are expected to be minimum wages rather than the less than minimum wages paid by private agricultural land lords, will push up women’s wages in agriculture. Whether it will have an impact on male female wage differentials will depend to the extent it has an impact on men’s wages too. Therefore, there are two potential impacts on wages – an upward movement in general bringing market wages more in line with minimum wage, and a reduction in the gender wage gap as women are able to earn minimum wages on NREGA sites, provided men’s wages do not increase proportionately.

The NREGA stipulates a household guarantee and therefore the level of women’s participation is partly determined by external and market conditions and partly by intra household decisions. Where men’s market wages exceed the minimum wage while women’s market wage is below this there is prima facie a stronger incentive for women to access NREGA.

The question of course is to what extent the implementation of the programme will adhere to the Guidelines and will have the expected impact. Also to what extent other considerations would influence the actual roll out of the programme in different state governments. So far most of the data available is based on regional or local micro surveys and from the government’s website on numbers of days of employment generated and expenditure by state, as also participation of different groups. There is as yet, no nationally representative survey to assess many of these questions and to check if the NREGA is having the desired impact. The last quinquennial household survey of the Central Statistical Organisation was carried out in 2004-05, prior to the implementation of the programme. When the results of the next survey become available, many of these issues can be analysed and verified.

As far as women’s participation in the NREGA is concerned, first, there is a clear rise in share of women in NREGA as a whole, though Rajasthan is an exception. Secondly, the paper finds that statewise women’s participation in the programme is positively correlated with women’s participation in rural areas, though women’s participation in NREGA is often higher than women’s participation in other forms of recorded work so far. Thirdly, women’s participation is negatively correlated with the existing gender wage gap in unskilled agricultural labour. The latter implies that where women’s actual wages as a share of men’s is lower in the private sector, women are flocking to work in this government administered programme. This will have an impact on women’s agricultural wage and their bargaining power, and is potentially a critical factor in reducing gender disparities in the labour market.

For women the fact that work is available close to home is one of the most desirable features of the programme. In parts of the country where there is tradition of wage work, the acceptability is high. It is more difficult to reach out to women in hilly regions where household provisioning of fuel and fodder takes up several hours a day and there is no such tradition; or in remote tribal communities where contact with the mainstream is still limited. The programme has the opportunity to open up a space for women to come together, plan the community assets that will reduce work load and free women’s time; but this imagination is yet to take concrete shape. Had the programme included other kinds of social service work where working conditions for women are more conducive rather than largely construction works, the participation of women in the programme may have been higher, as was the case in the public works programme in South Africa.

The paper also finds that the achievements or outcomes of the NREGA as far as women are concerned are – as with any other government programme – mediated by the
intervening institutions including both the gendered nature of the labour market and the
efficacy or otherwise of the local government. Reports of leakages and corruption in the
programme continue and seriously undermine the benefits of this programme. There are
also regional disparities in programme implementation and outcomes. The design of the
programme can be improved in several ways as was the case with past programmes. But
the difference with other programmes is first in the scale and the legal status; second the
framework that opens up spaces for community involvement more explicitly than has been
done for other programmes (although implicitly it has been there before); and third that
just the level of interest by researchers, activists and other people not directly part of the
programme is quite unique. These may, given the right conditions, ensure a better targeting
and delivery of the programme on the whole, and may help in realizing the potential that
the programme has in promoting gender equity.
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