

Poverty alleviation programmes

10.7 The strategy for poverty alleviation is essentially two fold. Firstly, an effort is underway to provide greater opportunity for the poor to participate in the growth process by focusing on specific sectors, which offer such opportunities. Secondly, poverty alleviation and social sector programmes have been strengthened and restructured with special programmes for the weaker sections of society. Details of these programmes

were reported in the Economic Survey 2003-04. Table 10.4 and Box 10.2 indicate developments during the current year.

10.8 The National Rural Employment Guarantee Bill, 2004 has been introduced in the Parliament in December 2004 (Box 10.3). An outlay of Rs. 13,466.40 crore (including supplementary grants) has been provided for 2004-05 for the Department of Rural Development.

Box 10.2 : Major poverty alleviation, employment generation and basic services programmes

National Food for Work Programme

In line with the NCMP, National Food for Work Programme was launched on November 14, 2004 in 150 most backward districts of the country with the objective to intensify the generation of supplementary wage employment. The programme is open to all rural poor who are in need of wage employment and desire to do manual unskilled work. It is implemented as a 100 per cent centrally sponsored scheme and the food grains are provided to States free of cost. However, the transportation cost, handling charges and taxes on foodgrains are the responsibility of the States. The collector is the nodal officer at the district level and has the overall responsibility of planning, implementation, coordination, monitoring and supervision. For 2004-05, Rs.2020 crore have been allocated for the programme in addition to 20 lakh tones of foodgrains.

Swaranjayanti Gram Swarozgar Yojana (SGSY)

SGSY, launched in April 1999, aims at bringing the assisted poor families (Swarozgaris) above the poverty line by organizing them into Self Help Groups (SHGs) through a mix of Bank credit and Government subsidy.

Sampoorna Grameen Rozgar Yojana (SGRY)

SGRY, launched in 2001, aims at providing additional wage employment in all rural areas and thereby food security and improve nutritional levels. The SGRY is open to all rural poor who are in need of wage employment and desire to do manual and unskilled work around the village/habitat. The programme is implemented through the Panchayati Raj Institutions (PRIs).

Rural Housing – Indira Awaas Yojana (IAY)

The Indira Awaas Yojana (IAY) operationalised from 1999-2000 is the major scheme for construction of houses for the poor, free of cost. The Ministry of Rural Development (MORD) provides equity support to the Housing and Urban Development Corporation (HUDCO) for this purpose.

Pradhan Mantri Gramodaya Yojana (PMGY)

PMGY launched in 2000-01 envisages allocation of Additional Central Assistance (ACA) to the States and UTs for selected basic services such as primary health, primary education, rural shelter, rural drinking water, nutrition and rural electrification. For 2003-04 as well as 2004-05, the annual allocation of ACA for PMGY was Rs.2, 800 crore.

Rural Employment Generation Programme (REGP)

REGP, launched in 1995 with the objective of creating self-employment opportunities in the rural areas and small towns, is being implemented by the Khadi and Village Industries Commission (KVIC). Under REGP, entrepreneurs can establish village industries by availing of margin money assistance from the KVIC and bank loans, for projects with a maximum cost of Rs.25 lakh. Since the inception of REGP, up to 31 March 2004, 1,86,252 projects have been financed and 22.75 lakh job opportunities created. A target of creating 25 lakh new jobs has been set for the REGP during the Tenth Plan. 8.32 lakh employment opportunities have already been created during 2003-04. For 2004-05, a target of creating 5.25 lakh job opportunities has been fixed.

Prime Minister's Rozgar Yojana (PMRY)

PMRY started in 1993 with the objective of making available self-employment opportunities to the educated unemployed youth by assisting them in setting up any economically viable activity. So far, about 20 lakh units have been set up under the PMRY, creating 30.4 lakh additional employment opportunities. The targets for additional employment opportunities under the Tenth Plan and in 2004-05 are 16.50 lakh and 3.75 lakh, respectively. While the REGP is implemented in the rural areas and small towns (population up to 20,000) for setting up village industries without any cap on income, educational qualification or age of the beneficiary, PMRY is meant for educated unemployed youth with family income of up to Rs.40, 000 per annum, in both urban and rural areas, for engaging in any economically viable activity.

Pradhan Mantri Gram Sadak Yojana (PMGSY)

The PMGSY, launched in December 2000 as a 100 per cent Centrally Sponsored Scheme, aims at providing rural connectivity to unconnected habitations with population of 500 persons or more in the rural areas by the end of the Tenth Plan period. Augmenting and modernising rural roads has been included as an item of the NCMP.

The programme is funded mainly from the accruals of diesel cess in the Central Road Fund. In addition, support of the multi-lateral funding agencies and the domestic financial institutions are being obtained to meet the financial requirements of the programme.

Up to October, 2004, with an expenditure of Rs 7,866 crore, total length of 60,024 km. of road works has been completed. The National Rural Roads Development Agency (NRRDA), an agency of the Ministry of Rural

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Development registered under the Societies Registration Act, provides operational and technical support for the programme.

Drought Prone Areas Programme (DPAP), Desert Development Programme (DDP) and Integrated Wastelands Development Programme (IWDP)

DPAP, DDP and IWDP are being implemented for the development of wastelands/degraded lands. During 2004-05 allocation of Rs. 300 crore, Rs. 215 crore and Rs. 368 crore were provided for DPAP, DDP and IWDP, respectively. So far, during 2004-05, 2,550 projects covering 12.75 lakh hectares, 1,600 projects covering 8 lakh hectares and 165 projects covering 8.32 lakh hectares, have been sanctioned under DPAP, DDP and IWDP, respectively.

Antyodaya Anna Yojana (AAY)

AAY launched in December 2000 provides foodgrains at a highly subsidized rate of Rs.2.00 per kg for wheat and Rs.3.00 per kg for rice to the poor families under the Targeted Public Distribution System (TPDS). The scale of issue, which was initially 25 kg per family per month, was increased to 35 kg per family per month from April 1, 2002. The scheme initially for one crore families was expanded in June 2003 by adding another 50 lakh BPL families. During 2003-04, under the AAY, against an allocation of 45.56 lakh tonnes of foodgrains, 41.65 tonnes were lifted by the State/UT Governments. Budget 2004-05 expanded the scheme further from August 1, 2004 by adding another 50 lakh BPL families. With this increase, 2 crore families have been covered under the AAY.

Swarna Jayanti Shahari Rozgar Yojana (SJSRY)

The Urban Self Employment Programme and the Urban Wage Employment Programme are the two special components of the SJSRY, which, in December 1997, substituted for various extant programmes implemented for urban poverty alleviation. SJSRY is funded on a 75:25 basis between the Centre and the States. The expenditure during 2003-04 was Rs.103 crore. For 2004-05, the allocation is Rs.103 crore, out of which Rs. 90.38 crore were utilized by December 31, 2004.

Valmiki Ambedkar Awas Yojana (VAMBAY)

The VAMBAY launched in December 2001 facilitates the construction and upgradation of dwelling units for the slum dwellers and provides a healthy and enabling urban environment through community toilets under Nirmal Bharat Abhiyan, a component of the scheme. The Central Government provides a subsidy of 50 per cent, the balance 50 per cent being arranged by the State Government. Since its inception and up to December 31, 2004, Rs. 753 crore have been released as Government of India subsidy for the construction/upgradation of 3,50,084 dwelling units and 49,312 toilet seats under the scheme. For the year 2004-05, out of the tentative Central Fund allocation of Rs.280.58 crore, up to December 31, 2004, an amount of Rs. 223.66 crore has been released covering 1,06,136 dwelling units and 20,139 toilet seats.

Box 10.3 : National Rural Employment Guarantee Bill, 2004 – Salient features

- State Governments to provide at least 100 days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work.
- Sampoorna Grameen Rozgar Yojana (SGRY) and National Food for Work Programme to be subsumed within the Scheme once the Act is in force.
- Until such time as a wage rate is fixed by the Central Government, the minimum wage for agricultural labourers shall be applicable for the scheme.
- An applicant not provided employment within fifteen days, to be entitled to a daily unemployment allowance as specified by the State Government subject to its economic capacity, provided such rate is not less than a quarter of the wage rate for the first thirty days during the financial year and not less than a half of the wage rate for the remaining period of the financial year.
- Central Employment Guarantee Council to be constituted to discharge various functions and duties assigned to the Council. Every State Government to also constitute a State Council for this purpose.
- Panchayat at the district level to constitute a Standing Committee of its members to supervise, monitor and oversee the implementation of the Scheme within the district.
- For every Block, State Governments to appoint a Programme Officer for implementing the Scheme.
- Gram Panchayat to be responsible for identification of the projects as per the recommendations of the Gram Sabha and for executing and supervising such works.
- Central Government to establish a National Employment Guarantee Fund. State Governments to establish State Employment Guarantee Funds for implementation of the Scheme.
- The Scheme to be self-selecting in the sense that those among the poor who need work at the minimum wage would report for work under the scheme.