

Chapter - 4

Structural mechanism and capacity building

4.1 Framing of Rules

The Act provides for the State Government making rules for carrying out the provisions of the Act. The rules framed by the Government and their dates of notification are detailed in **Table 4** below:

Table 4: Rules framed by the Government

| Particulars | Date of notification |
|---|----------------------|
| Karnataka State Employment Guarantee Council Rules, 2006 | 13 June 2006 |
| Karnataka State payment of unemployment allowance Rules, 2006 | 13 June 2006 |
| Karnataka State Employment Guarantee Fund Rules, 2008 | 31 July 2008 |
| Karnataka National Rural Employment Guarantee (Grievance Redressal) Rules, 2009 | 13 March 2009 |
| MGNREG Scheme implementation of Social Audit Rules, 2011 | 10 January 2012 |

Source: Gazette notifications

4.2 State Employment Guarantee Council

The Act stipulates that State Governments should set up a State Employment Guarantee Council (SEGC), which was to be responsible for advising the State Government on the implementation, evaluation and monitoring of the Scheme, preparing an Annual Report on the Scheme to be presented to the State Legislature, *etc.* Though the State Government had set up (June 2006) the SEGC, it met only four times⁵ as of 31 March 2012. The Karnataka State Employment Guarantee Council Rules, 2006 under which SEGC had been constituted did not also prescribe the interval at which SEGC was to meet. The SEGC was, thus, functioning in an unstructured manner. Further, SEGC did not constitute any Sub-committees though four such Committees⁶ were to be constituted to assist SEGC in discharge of its duties and functions. The members of these Sub-committees were to include officers from State Accounts department, Panchayat Raj Engineering department, Labour department, Forest, Ecology and Environment department, *etc.* Even experts could have been nominated to these Sub-committees. SEGC did not appoint any expert group for providing technical support and advice to improve the quality of implementation of the Act. The Annual Reports on the Scheme for

⁵ during July 2006, March 2007, January 2009 and September 2009

⁶ Committee on preferred works, Committee on finalisation of proposals under Clause 1 (x) of the Act, Finance and Audit Committee, Committee on wage and labour standards.

the years 2006-07 to 2011-12 had also not been laid before the State Legislature.

The State Government stated (January 2013) that the points mentioned would be complied with and adhered to as per the provisions of MGNREGS. In respect of Sub-committees, it was stated that the Executive Council and officers of the State Government were fully assisting SEGC in discharge of its duties and functions. The reply was not acceptable as the Rules stipulated constitution of the Sub-committees. It was not clear as to how in the absence of such technical support groups the SEGC was ensuring the quality of implementation.

4.3 Executive Council and Governing Council

4.3.1 Executive Council

An Executive Council (EC) was constituted (July 2008) to oversee the function of the State Employment Guarantee Fund (SEGF). The Principal Secretary, RDPR department is the Chairman and Secretary (RDPR department), Director (MGNREGS), Director (Panchayat Raj) are the members. The Chief (Finance and Accounts), MGNREGS is the Member Secretary of the Council. As per the bye-laws of the SEGF which was registered as a society, the EC was required to meet once in three months or as and when necessary.

4.3.2 Governing Council

The Governing Council (GC) was constituted on 31 August 2009 for supervision and maintenance of SEGF. The GC comprises eight permanent and eight nominated members headed by the Chairman who is the Principal Secretary, RDPR department. The GC has to hold Annual General Meeting every year. The Audit Reports pertaining to the previous financial year were to be placed before the GC in every Annual General Meeting.

Audit observed from the records that the EC had met only once on 18 March 2011 and GC had met only two times during the period 2009-12 (12 October 2009 and 3 May 2011), thereby limiting the roles of Councils in the release and management of funds.

The State Government accepted (January 2013) that the meetings were not convened regularly and stated that all the files were routed through Principal Secretary, RDPR department who was the Chairperson of the Executive Council. It was further stated that the EC and GC also met on 8 August 2012 to oversee the implementation of MGNREGS and henceforth this would be scrupulously followed.

While the assurance provided now by the Government is appreciated, the fact, however, remained that the meetings were not convened as stipulated and opinions of other members of the Councils were not obtained and kept on record.

4.4 Resource support

4.4.1 Personnel support

The Act recognises the crucial role of adequate manpower support for implementation of the Scheme. The Act requires the State Government to designate a full time dedicated PO at the taluk level. It also makes mandatory for the State Government to make available to these officials necessary staff and technical support required for the effective implementation of the Scheme. The Operational Guidelines suggested appointment of one Employment Guarantee Assistant or Gram Rozgar Sevak (GRS) in each GP.

The PO was responsible for implementation of the Scheme at taluk level, consolidation of GP plans, monitoring and supervision, ensuring that regular Social Audit of all works are carried out and that prompt action is taken on the objections raised, *etc.* However, the existing Executive Officers (EOs) at the taluk level were appointed as POs and given additional charge of the Scheme.

At village level, the GRS was required to assist the GP in the implementation of the Scheme. GRS assumes particular importance in view of the fact that GPs are the focus of the Scheme. However, in 156 test-checked GPs⁷, the GRS had not been appointed. As per the information furnished by the RDPR department, only 4,532 posts of Administrative Assistants had been filled up as against 5,628 posts required to be filled up. In addition to these Administrative Assistants, the State Government was to create the post of full time Panchayat Development Officer (PDO) in each GP. As of March 2012, only 3,312 GPs (59 *per cent*) had PDOs and the recruitment of PDOs for the remaining GPs was in progress.

The State Government had approved (June 2009) outsourcing of the professional services required for implementation of MGNREGS at various levels of PRIs. However, there were vacancies ranging from 13 to 97 *per cent* in these posts as of March 2012. Large number of vacancies in posts related to critical areas of functioning, especially at the GP level, would have an adverse effect on implementation of Scheme.

The State Government stated (January 2013) that steps had been taken to put in place the dedicated full time personnel through outsourcing within the administrative expenditure limit of six *per cent*. It was further stated that an Assistant Director had now been posted at each taluk level to assist POs.

While the step taken to increase personnel is noteworthy, the fact remained that it was delayed and such a move should have been initiated when MGNREGS was rolled out in all the districts of the State.

4.4.2 Technical support

The Act recognised creation of durable assets as an important objective of the Scheme. The main implementing agency under MGNREGS was the GP

⁷ One GP (Hadli) in Naragund taluk, Gadag district did not produce any records.

which did not have any dedicated technical resource for supporting the planning and execution of works required for creation of such assets. Therefore, the Operational Guidelines required the State Government to constitute panels of accredited engineers at the district and taluk levels for the purpose of assisting in estimation and measurement of works. It was seen that the State Government had not constituted any such panels of accredited engineers. Moreover, 82 (1,172) to 97 (1,380) *per cent* of the posts of technical assistants created (June 2009) by the State Government through outsourcing had remained vacant as of March 2012. Thus, the technical support for the proper implementation of the Scheme was inadequate which adversely impacted the planning and execution of works.

4.5 Information, Education and Communication (IEC) of MGNREGS

MGNREGS is envisioned as a demand driven employment generation programme. Thus, awareness of potential beneficiaries and other stakeholders is key to ensuring that they are able to articulate their demand and claim their entitlements. The Operational Guidelines provide for the State Government drawing up an IEC plan and taking up an intensive IEC exercise. This exercise was to target workers, rural households, PRIs, and special attention was to be paid to deprived areas and marginalised communities. The IEC activity was to be taken up at the beginning of the Scheme as well as at regular intervals.

Audit scrutiny showed that the State Government had not drawn up any IEC plan. The IEC activities taken up were limited and consisted of street plays, radio programmes, pamphlets and wall writing in public places, for which the State Government had incurred a sum of ₹74.78 lakh during 2007-12. The State Government engaged consultants for IEC activities since June 2010 and paid an amount of ₹1.50 crore as of March 2012.

The lack of IEC activities resulted in ineffective communication strategy and this was reflected in the survey of 1,553 beneficiaries by Audit in the test-checked GPs which indicated poor awareness levels of entitlements under MGNREGS. Lack of awareness on the basic entitlements under MGNREGS is a key barrier for access to rights-based employment. Considering that the Scheme had been in operation for the past seven years, the awareness level indicated a large gap.

The State Government stated (January 2013) that various IEC activities were conducted through All India Radio, Doordarshan, newspapers and street dramas from 2010-11 onwards. It was also stated that additional efforts would be made to generate more awareness of Scheme entitlements.

While the efforts stated to be made by the Government are appreciated, the Government, however, did not draw up any IEC plan which could have enabled a systematic approach in creation of awareness among the rural poor willing to register under the Scheme.