

Understanding Trends in Female Labour Force Participation Rate in Rural India

The Role of MGNREGS and DAY-NRLM

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On November 20, 2019, I wrote for *The Indian Express* on “A Greater Ease of Living.” I had argued that discussions of rural poverty fail to factor in multi-dimensional changes in the rural-agriculture sector in recent years. On May 9, 2022, I wrote again for *The Indian Express* on how poverty in rural India came down due to pro-poor thrust in government programmes that involved building trust through community mobilisation. On February 1, 2024, I wrote for *The Indian Express* again on why Rural Female Labour Force Participation Rate (RFLFPR) had gone up and how the evidence suggested that the Deendayal Antyodaya Yojana–National Rural Livelihood Mission (DAY-NRLM) and Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) play a crucial role in improving female work participation rate. The steady growth of the agriculture sector and the bridging of the gap in Monthly Per Capita Consumption Expenditure (MPCE) reported in recent surveys confirm some change happening in rural lives and livelihoods. This is clearly a rural women farmer-led agricultural growth. There are many lessons for development in other sectors from the steady rates of progress with women’s collectives at the centre for livelihood diversification.

It is equally important to understand that community action can also go wrong. Having seen the ill-consequences of decentralisation without accountability pointed out in first two Performance Audit of MGNREGS (Comptroller and Auditor General of India [CAGI], 2007; CAGI, 2013), it is evident that decentralised community action must be very well thought through. It is not a case of one-size-fit-all or all power without accountability. The challenges of accountability are often resolved through the following six clear priorities. These were undertaken with some success during the last decade. These were: (i) accountability framework for elected local government leaders; (ii) use of technology as a means; (iii) evidence based and community validated assessment of outcomes; (iv) professionals and community resource person (CRP) for effectiveness; (v) decentralised community action through women’s collectives; (vi) untied and adequate funds for local action.



These were internalised in the following manner:

First, in 2011, for the first time, an exclusive programme for women farmers was started under the then National Rural Livelihood Mission called Mahila Kisan Sashaktikaran Pariyojana (MKSP), focusing on sustainable agriculture using bio-fertilisers and bio-pesticides. Fruits, vegetables, and animal resources became the prime sectors for diversifying livelihoods. Working with women's collectives that expanded very significantly from 25 million women in 2014 to over 100 million women under the Rural Livelihood Mission currently, over 50 million women have already been credit linked. After retiring debts, women's borrowings expanded in rainfed areas into fruits and vegetable cultivation, and large-scale animal resource rearing with modern practices. With CRPs drawn from among local women trained in agriculture and animal husbandry (Krishi Sakhi, Pashu Sakhi), MKSP laid the foundation of women-led livelihood diversification on scale.

Second, in 2014, the decision was taken to spend at least 60 per cent of MGNREGS funds in agriculture and allied activities. Simultaneously, a conscious policy shift toward more individual beneficiary schemes under MGNREGS like ninety-day support in house construction, animal sheds for marginal and small farmers, irrigation wells, farm ponds, mango orchards in rainfed tribal areas where poor still have land, and so on, facilitated the livelihood diversification on scale. Studies have recorded how the thrust on water conservation and individual beneficiary schemes paved the way for a higher level of agricultural and allied activities among women farmers. Evaluation studies have indicated 22 per cent gain in incomes of women under the rural livelihood mission in a period of 6–8 years that they take to mature as collectives.

Third, lower-than-market wage rates under MGNREGS have led to women working more than men under the programme. Nationally 57 per cent of the work has gone to women, further bolstering RFLFPR. 50 million women being credit linked under the DAY-NRLM, besides other opportunities like mudra loans and so on, did translate into many nano enterprises, single women enterprises, etc. The CRP approach of capacity building with large scale involvement of credible civil society organisations like PRADAN

made for a real difference in the extension of appropriate agricultural practices. Training in agriculture and animal husbandry at the local level along with the social capital of women's collectives, have contributed to higher per capita consumption expenditures as well. Network of rural roads under the Pradhan Mantri Gram Sadak Yojana and other State level village road networks helped in marketing of produce. Technology enabled marketing platforms and the demand for fresh vegetables, milk, meat, etc. in urban areas, further facilitated better integration with markets.

Fourth, the women led diversification of livelihoods could have delivered even better income and livelihoods if the levels of education and skills were better. Lack of secondary completion or access to modern day vocational skills, compromises the ability of women to seek higher order economic activity. Therefore, despite a much larger number of poor women diversifying economic activities, most of them still make only a paltry sum of money. We cannot afford to neglect education and skills continuum in rural areas, especially among women.

The clear lesson from the women farmer-led approach to livelihood diversification with access to credit suggests a bottoms up approach of community collectives is perhaps the steadiest way to progress. We do not follow this approach in setting up manufacturing or services. For a more inclusive India, the impetus for large-scale quality employment and incomes calls for an approach that prioritises women and youth collectives, and builds on their social capital. Human development appears the most critical weak link in a faster, higher order movement up the skilling ladder. The women-led agricultural growth is a lesson for planners to recognise the economic potential of a women-led growth with decentralised community action. The recognition of the women as farmers is itself a big step forward as till recent years. Agricultural statistics would make us feel as if women did not matter in this sector, when the truth is that they carry out most of the operations. Denial of agricultural land ownership rights to women in the name of preventing fragmentation of holdings, needs to be re-visited. The steady agricultural growth also highlights how India has successfully made a transformation despite over 80 per cent farm holdings being small or marginal.

About the author



Amarjeet Sinha has a life-time commitment to work for transforming lives and livelihoods of the deprived households through human well-being. He is a Senior Fellow at the Centre for Social and Economic Progress. 2022-24, Amarjeet served as Member, Public Enterprises Selection Board. He was earlier posted as Advisor to the Prime Minister till 31 July 2021, looking after the social sector and rural initiatives. An Indian Administrative Service (IAS) Officer of Bihar Cadre of 1983 batch, he retired in December 2019 as Secretary, Department of Rural Development, Government of India. He has 40 years of experience in Government, largely in the rural and social sector. He has had the unique distinction of having played a major role in designing Sarva Siksha Abhiyan (India's main programme for universal education), the National Rural Health Mission, in bringing about governance reforms in programmes for rural areas covering livelihoods, employment, housing, social security, skills, urban development, and road construction. He also coordinated successfully the work of Gram Swaraj Abhiyan in 2018 to reach seven pro-poor public welfare interventions (LPG, electricity, Bank Account, life and accident insurance, LED Bulbs, and Immunization) to 63974 large villages with over 50% vulnerable social group population.

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