ELIMINATING POVERTY
CREATING JOBS AND STRENGTHENING SOCIAL PROGRAMS

Govt. of Jharkhand
Jharkhand-demographic & other indicators

- Total population: 3.30 cr. *(Census 2011)*
- Decadal population growth: 22.42%
- Literacy rate: 66.4% (Male: 76.8 %, Female: 52.0 %) as against corresponding national rates of 76.0 %, 82.1 % and 65.2 %.
- Labour force participation rate for 2011-12 is 35.1.
- Jharkhand unemployment rate is 3.1 % as against national rate of 2.7 %.
- The self-employed constitute 64.2%, while only 10.2% people are regular employees.
- The highest percentage of population which is 50.4% is associated with agriculture while the rest of the working population is employed in mining, service sector, construction, finance etc.
Poverty Situation in Jharkhand

- 39.1% people below the poverty line (BPL) as against national rates of 29.8%
- SC & ST fare the worst in incidence of poverty
  - ST : 49%
  - SC: 40.4%
  - OBCs : 34.6%
  - Others: 23.1%
Poverty Situation in Jharkhand – contd.

- In 2011-12, the average Monthly Per Capita Consumer Expenditure (MPCE) of Jharkhand in urban and rural areas was Rs.1894 and Rs.920, respectively.

- The NSDP Capita Growth from 2005-14 of the Jharkhand has been recorded among the last five worst performing states of India i.e. 11%.

- Jharkhand faces acute poverty in its rural areas. Urban poor (31.1%) are far fewer compared to rural poor (41.6%) (2009-10, Tendulkar methodology)

- It further supported by the fact that the state has 22/24 districts among BRGF districts.

- AS per SECC 2011, 26.94 lakhs HHs fall under at least one deprivation criteria out of 50.44 lakh rural HH, i.e. 53.4% rural HHs.
Rural Poverty: Jharkhand vs. India

**Rural Poverty Head Count Ratio**

- **Jharkhand**
  - 1987-88: 53%
  - 1993-94: 39%
  - 1999-2000: 50%
  - 2004-05 (Based on URP approach): 46%
  - 2004-05 (Based on MRP approach): 40%
  - 2004-05 Tendulkar Committee: 52%

- **India**
  - 1987-88: 66%
  - 1993-94: 50%
  - 1999-2000: 50%
  - 2004-05 (Based on URP approach): 46%
  - 2004-05 (Based on MRP approach): 40%
  - 2004-05 Tendulkar Committee: 42%

**Per capita NSDP**

- **Jharkhand**
  - 2004-05: 15,555
  - 2005-06: 16,267
  - 2006-07: 18,474
  - 2007-08: 19,928
  - 2008-09: 21,465

- **India**
  - 2004-05: 24,095
  - 2005-06: 27,183
  - 2006-07: 31,080
  - 2007-08: 35,430
  - 2008-09: 40,241

**Rural Monthly per capita expenditure in Rs.**

- **Jharkhand**
  - 2004-05: 559
  - 2005-06: 625
  - 2006-07: 695
  - 2007-08: 772
  - 2009-10: 825

- **India**
  - 2004-05: 559
  - 2005-06: 625
  - 2006-07: 695
  - 2007-08: 772
  - 2009-10: 825

**Source**: Ministry of Finance, GoI, 2011; MoW&CD, GoI, 2009; NSSO, MoS&PI, GoI, Various years; Oxford Poverty and Human Development Initiative (OPHI), University of Oxford, 2010; Planning Commission (PC), GoI, 2009; PIB, GoI, 2007; UN WFP, 2008
Rural Poverty: Manifestations

- **Household level vulnerabilities:**
  - About 61% rural children U5 years of age in Jharkhand are under-weight.
  - 73% rural children between 6-59 months of age in the State are anemic. The corresponding all-India figures are about 46% and about 71%, respectively (NFHS-3, MoH & FW, GoI, 2008).

- Proportion of under-weight and anaemic children in the State is reported at about 57% and 70%, respectively.

- Proportion of under-weight and anaemic ST children in the State is 64% and 80%, respectively. Corresponding figures for SC (56% and 77%, respectively) and Muslim (51% and 69%, respectively) are no less concerning (NFHS-3, MoH & FW, GoI, 2008).

- In 2001, Jharkhand reported a migrant population of 72.6 lakh, mainly comprising intra-district (42.9 lakh; 60% of the total migrant population), inter-district (11.8 lakh; 16% of the total migrant population) and inter-State (17.8 lakh; 25% of the total migrant population) migrants (Col, 2001).
## RURAL LIVELIHOOD SCENARIO: SECTORAL ANALYSIS

<table>
<thead>
<tr>
<th>Sector</th>
<th>Estimated Number (lakh) and Share of Rural Workers (2010-11)</th>
<th>Share of NSDP (2008-09)</th>
<th>Trend in Share of Rural Employment</th>
<th>Trend in Contribution to NSDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Allied</td>
<td>45.7 (55%)</td>
<td>10%</td>
<td>Declining- From about 77% in 2001 and about 70% in 2004-05</td>
<td>Declining since 2001-02 (when contribution was about 23%)</td>
</tr>
<tr>
<td>Mining, Quarrying</td>
<td>1.3 (2%)</td>
<td>11%</td>
<td>Steady since 2004-05</td>
<td>Steady since 2001-02 (typically ranging between 11-13 percent)</td>
</tr>
<tr>
<td>Sub-total: Primary</td>
<td>47.0 (56%)</td>
<td>22%</td>
<td>Declining</td>
<td>Declining since 2001-02 (when contribution was about 35%)</td>
</tr>
<tr>
<td>Construction</td>
<td>18.0 (22%)</td>
<td>9%</td>
<td>Rising- From about 10% in 2004-05</td>
<td>Steady since 2001-02 (typically ranging between 7-10 percent)</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>6.3 (8%)</td>
<td>27%</td>
<td>Steady since 2004-05</td>
<td>Rising since 2001-02</td>
</tr>
<tr>
<td>Sub-total: Secondary</td>
<td>24.3 (29%)</td>
<td>37%</td>
<td>Rising</td>
<td>Rising since 2001-02</td>
</tr>
<tr>
<td>Sub-total: Tertiary</td>
<td>12.1 (15%)</td>
<td>41%</td>
<td>Fluctuating- about 10% in 2004-05, about 13% in 2005-06, about 11% in 2007-08</td>
<td>Steady since 2002-03 (typically ranging between 40-41 percent)</td>
</tr>
<tr>
<td>Total</td>
<td>83.4 (100%)</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Col, 2001; Col, 2011; DES, GoJ, 2011; JSLPS Analysis, 2011; NSSO, MoS&PI, GoI, Various Years
Key issues in the agriculture sub-sector in Jharkhand from a rural livelihood perspective can be summarized as follows:

a. Dominance of Marginal and Small Holdings
b. Challenging Terrain and Soil Conditions and High Soil Erosion
c. Erratic and Declining Rainfall and Inadequate Irrigation Coverage
   - Irrigation coverage 12.1% of GCA in 2004-05 as against all-India figure at about 43%
d. Low Cropping Intensity (125%)
e. Low Crop Productivity
   - Avg. yield of Maize and Wheat is about 16% and 32% lower than national average.
   - A comparison of paddy yields in Jharkhand with those in major paddy producing States (such as AP, Punjab and WB) reveals scope for improvement in the State
f. Sub-optimal Input Use, Limited Adoption of Modern Practices and Weak Extension Services
   - Seed replacement rate is 15% and only 5% of the requirement met by public agencies.

g. Supply Chain Constraints
Livestock and Fishery

• In 2007, Jharkhand reported a total livestock population of about 1.81 crore including
  • 88 lakh cattle,
  • 15 lakh buffaloes,
  • 66 lakh goats and
  • 7 lakh pigs and
  • 1.12 Crore poultry

• 140,000 ha water bodies (ponds, tanks, reservoirs and others)

• Fisheries production in Jharkhand has risen from 14000 MT in 2000-01 to 105000 MT in 2014-15.

• Key Issues
  ✓ Low Productivity
  ✓ Dominance of Unimproved, Indigenous Breeds
  ✓ Unscientific Rearing Practices and Weak Veterinary and Extension Support
  ✓ Weak Arrangements for Procurement and Marketing
4.3 Non-farm Sector including NTFPs and Jobs

NTFP

- 29% of the geographical area of Jharkhand (about 23.3 lakh ha).
- Wide range of forest produce. Major ones are lac and tasar.
- 57% of the national production of lac in 2013-14 by Jharkhand.
- 4 lakh rural HHs & 25-32 percent of their income from lac cultivation
- 60% of national tassar production & 47,000 rearers
- Typically, NTFP collection is not scientific and not very remunerative in the absence of post-harvest technology and timely information on market demand and prices.

Other non-farm sector/jobs

- 4.91 lac non-agricultural enterprises out of which rural are 2.94 lac (59.8%) (2005 CSO economic Census)
- Number of persons employed 11.70 lac out of which rural 5.80 lac (49.6%)
- Persons engaged in Construction 27% (NSSO 2009-10)
- Persons engaged in Manufacturing 9%
- Persons engaged in services 11%
- MGNREGA a big contributor to rural employment: 5.85 Cr PDs in 2015-16

Skills

- During 12-22 period, demand of incremental manpower at 32.52 lac, of which
- Skilled 7.30 lac, semi-skilled 9.47 lac and minimally skilled 15.74 lac persons
Tracking Poverty: Critique of Options

- Options
  - Continue with the Tendulkar Line
  - Switch to Rangarajan or other higher poverty line
  - Track Progress of bottom 30 %
  - Measure progress on specific components of poverty

- NITI Paper suggests Tendulkar Poverty Line

- Issues
  - Is a Poverty Line required?
  - Do we categorise poor?
  - Do we need SECC or other such multidimensional measures of poverty?
  - Should we adopt SDG definition?
• GOJ in favour of
  • Both poverty line as well as SECC like trackers
  • Even among BPL HHs, sub categories may be made viz. destitute, acute, moderate
  • Mechanism for categorising people on the basis of existing data to be worked out
  • Rangarajan Consumption Basket & therefore its recommendations
  • Greater use of SECC for programme specific benefits
  • A system for its review / updation and its quicker reflection in databases
  • Tools and capacity building for use of the databases by programme officials
  • Single family database for use in all government programmes and recording of benefits administered
  • Mechanism of assessing progress on SDG to be worked out, rather than adopting it as a yardstick for categorising poor.
Strategy for Elimination of Poverty

• Jharkhand had submitted its reports to the NITI Aayog

• In agreement with its recommendations except
  ✓ use of MNREGA in private works
  ✓ Permitting contractors within MNREGA

• Further recommend
  ✓ Increasing cropping intensity should be a central plank of the strategy
  ✓ Integrated approach involving short duration varieties, zero tillage technologies and better soil moisture management needs to be adopted
  ✓ The scope of Watershed programs and MNREGA should be expanded for this purpose
  ✓ Mechanism of wage fixation under MNREGA be reviewed for controlling widening divergence with minimum wages
Strategy for Elimination of Poverty – contd.

• Promotion of producers collectives and livelihood clusters
• Skill development as an enforceable entitlement
• **Building and strengthening community level Institutions**
• The ready-to-eat packaged food should be replaced by locally produced nutritious food items
• The NSAP pensions should become universal and benefit indexed to CPI
Innovative Steps Taken by GoJ

- Scheme of 1 lac Farm Ponds
- Renovation of tanks and ponds
- Scheme of 1000 community managed Lift Irrigation Schemes
- Panchayat level Agricultural Machinery Banks
- Distribution of Pumpsets including solar pumpsets
- Bringing 1 lac acre of fallow land under cultivation
- Large scale NRM works under MNREGA, Watershed programs
- Focus on ERM works for the irrigation sector
Innovative Steps taken by GOJ – contd.

• Making it easier to do business
  ▪ Single Window for approvals
  ▪ Online Systems for filing applications and disposals
  ▪ Incentives for setting up Private Industrial Estates
  ▪ Policies for food & feed processing, export and procurement
  ▪ Land Bank & other land entrusting processes

• Industrial Facilitation
  ▪ Industrial Cluster development
  ▪ Mega Handloom & Silk Park
  ▪ Skill development for sericulture, handicraft, handloom & textile sectors including design
  ▪ Labour reforms- Online processes, self certification, reduction in frequency of inspections, online filing of inspection reports in 24 hours, amendments to Factories Act & Rules, Industrial Disputes Act, Shops & Establishment Rules, Contract Labour Act & Rules, Payment of Wages Rules etc.
Thank You