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# Comparative Study of National Child Labour Project (NCLP) and Grants-in-aid (GIA) Schemes for Child Labour with reference to Select States

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**Abstract:** This research paper makes a cost-benefit analysis and comparative study of two broad schemes or strategies adopted by the government to mainstream child labour, namely the NCLP and GIA scheme for NGOs functioning in the non-NCLP districts. The paper briefly overviews the two schemes. It then goes on to analyze the resources invested in them and their impacts. The comparative study draws out policy implications and makes suggestions for the effective implementation of the two schemes.

**Keywords:** Grants-in-aid, NCLP, mainstream child labour

#### I. Introduction

According to the International labour organization, "Child labour includes children permanently leading adult lives, working long hours for low wages under conditions damaging to their health and to their physical and mental development, sometimes separated from their families, frequently deprived of meaningful educational and training opportunities that could open up for them a better future. 'Child labour' is defined as having an element of economic compulsion associated with it and involves a time and energy commitment which affects children's ability to participate in leisure, play and educational activities. Child labour is any work within or outside of the family that threatens health and mental development of the child by denying him or her fundamental as well as non-fundamental rights, The Indian constitution enshrines that, 'No child below the age of 14 years shall be employed to work in any factory or in any hazardous employment (Article 24).

The number of child workers has nominally decreased from 14.5 million in 1961 to 12.7 million in 2001([1], [2]). However, in the last decade there has been a drastic decline in the number of working children to 4.3 million in 2011 ([3]). There are wide state-wise differences in the magnitude of child labour. The three states with the lowest magnitude of child labour are the union territories of Lakshadweep, Daman & Diu and Andaman & Nicobar with their numbers being 28, 774 and 999 respectively. While as the top three states with the highest incidence are U.P, Maharashtra and Bihar with over 8.96 lacs, 4.96 lacs and 4.51 lacs of working children respectively ([3]).

# II. Objectives and Methodology

The aims of the research study were:

- 1. To study in detail the provisions of NCLP and Grants-in-aid schemes for rehabilitation of child labour.
- 2. To analyze the beneficiaries under the two schemes.
- 3. To make comparative study of the effectiveness of the schemes in select states.
- 4. To draw conclusions about the resources invested in the schemes, their impacts, to put forward suggestions.

The research is based on secondary data compiled from the websites and reports of the NSSO, Charity commissioner of states and the Ministry of Labour and Employment. A comparison of the NCLP and non-NCLP districts, number of beneficiaries or scope of the schemes, funding received under the schemes and the impact in terms of number of children mainstreamed is made. In case of data analysis, five years data is considered, 2008-09 to 2012-13. A comparative study of three states, namely UP, Maharashtra and Bihar has been made.

## III. Schemes or strategies

The Government of India has adopted two broad schemes or strategies to reduce the incidence of child labour, upliftment of welfare and basic facilities, to extend education facilities and mainstream working

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children. These include the National Child Labour Project (NCLP) and the Grants-in- Aid scheme (GIA) for the non-NCLP districts.

## 3.1 About NCLP scheme

The government initiated the NCLP in 1988. Its purpose was to rehabilitate working children in 12 child labour endemic districts of the country. Under the XI<sup>th</sup> plan it has been extended to 271 districts. The NCLP focuses on the rehabilitation of children working in hazardous industries. The aim is to mainstream these working children into formal schooling system through special schools and rehabilitation centres.

The special schools/Rehabilitation Centres provide:

- 1. Non-formal/bridge education
- 2. Skilled/vocational training
- 3. Mid Day Meal
- 4. Stipend @ Rs.150/- per child per month.
- 5. Health care facilities through a doctor appointed for a group of 20 schools.

At present there are 6000 special schools under NCLP scheme and currently more than 10 lakh children have been mainstreamed into the formal education system under the Scheme ([4]). Children in age group of 5-8 are directly mainstreamed in formal schools and those in age group of 9-14 years through special schools started under NCLP. The entire scheme is funded by the central government, Ministry of Labour and Employment.

#### 3.2 About GIA scheme

The Ministry of Labour has been financing, since 1981-82, voluntary organizations by way of grant-in-aid for taking up action oriented projects for the benefit of child labour and women labour. The working children are deprived of the basic requirements for their development, such as, education, health-care, nutrition etc. The purpose underlying the Scheme is to identify child labour and to make available welfare inputs to them through voluntary organizations. Funds under GIA Scheme are sanctioned directly to NGO for elimination of Child Labour in districts not covered by NCLP Scheme. Under the scheme voluntary agencies are given financial assistance by the Ministry of Labour on the recommendation of the State Government to the extent of 75% of the project cost for the rehabilitation of working children. The remaining 25% of the cost including the non-recurring cost, if any, will have to be borne by the organization concerned. Duration of assistance will depend on each project and it is provided for a maximum of 5 years. For a special school consisting of 50 children run by a NGO, the government has laid down expenditure outlay of RS. 203400, out of which 75% comes from the Ministry of Labour and Employment. Currently, about 70 voluntary agencies are being assisted ([5]).

## IV. Comparison of the 3 states

Sectoral distribution- The sectoral distribution of child labour in the 3 states chosen for comparison, namely, UP, Maharashtra and Bihar, indicate that majority of them are absorbed in agriculture sector ([6]) in all the 3 states. The largest proportion to total of child labour in agriculture sector is found in Maharashtra, followed by Bihar and then UP. None of the states have child labour in mining and quarrying. UP has the largest incidence of child labour in manufacturing among the 3 states, followed by Bihar and the least in Maharashtra. In case of UP a large number of working children in manufacturing is home-based labour. The details are represented in the table 1 given below.

TABLE 1: SECTORAL DISTRIBUTION OF CHILD LABOUR (IN TERMS OF % OF THE TOTAL)

State	Agriculture	Manufacturing	Mining	Construction	Trade & hotels	Transport	others
UP	57.8	22.3	0	3.2	11.4	1.1	4.2
Maharashtra	76.4	4.5	0	3.2	6.8	0.6	8.5
Bihar	67.32	10.45	0	2.1	14.9	0.04	5.6

Source: 66<sup>th</sup> Round, NSSO, 2009-10.

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- a. NCLP and non-NCLP districts- Totally there are 676 districts in India spread across various states and union territories. Out of these about 266 districts are covered by the NCLP and the remaining, that is 410 are non-NCLP districts. With reference to the 3 states with highest incidence of child labour, it was found that the state of UP has 75 districts out of which 47 are NCLP and the rest 28 are non-NCLP. In case of Maharashtra, 15 districts come under NCLP and 21 are non-NCLP. Bihar has 24 of its 38 districts covered under the NCLP and 14 are non-NCLP districts. The states having the maximum districts under NCLP are UP, followed by Rajasthan (27 districts) and Orissa and Bihar with each having 24 districts under the NCLP scheme ([7]).
- b. Grants received under NCLP- The comparison of state-wise grants received under NCLP by project societies to run special schools shows that the amount of grant has declined for UP and Bihar, while as, it has increased for Maharashtra for the 5 year period starting from 2008-19 to 2012-13. The year-wise amount of grants received by the states is given in table 2 that follows.

TABLE 2: GRANTS RELEASED UNDER NCLP DURING LAST FIVE YEARS

	Amount of grants in RS. Lacs.					
States	2008-09	2009-10	2010-11	2011-12	2012-13	Total
UP	2307.92	1627.43	1772.83	1585.40	1225.51	8519.09
Maharashtra	514.12	419.39	433.32	973.17	780.38	6120.38
Bihar	2130.96	1661.44	727.43	1338.49	1131.42	6989.74

Source: Implementation of NCLP in all districts, Ministry of Labour and Employment, 07/8/2013. If we aggregate the amount of grants received for all the 5 years, the maximum has gone to UP, followed by Bihar and then Maharashtra.

c. Assistance under GIA scheme for non-NCLP districts- In case of non-NCLP districts grants are provided to NGOs working for the rehabilitation of child labour. The recipients under this scheme for all states and union territories during the period 2005-06 to 2012-13 are 271 ([5]). The maximum numbers of NGO recipients under the scheme during this period are 61 in the state of Orissa, followed by UP (47) and Manipur (41). Maharashtra had 25 beneficiaries while as, Bihar only 4. If we go by the state-wise amount of assistance received under the grants-in-aid scheme, Manipur received the highest of over RS. 2.05 crs, followed by Orissa at RS. 1.55 crs and UP RS. 1.22 crs. Maharashtra received RS. 54.69 Lacs and Bihar RS. 8.51 lacs. UP received the grants most consistently for all the years for the period, Maharashtra for 6 years out of the 8 and Bihar for only 3 years. The table 3 given below represents the financial assistance under the GIA scheme for the 3 states of UP, Maharashtra and Bihar during 2008-09 to 2012-13.

TABLE 3: FINANCIAL ASSISTANCE UNDER GRANTS-IN-AID SCHEME

	Amount of grants (in RS.)						
States	2008-09	2009-10	2010-11	2011-12	2012-13	Total	
UP	1599221 (5)	2058886 (7)	419513 (2)	778473 (3)	343238 (1)	5199331	
						(18)	
Maharashtra	75570 (1)	851231 (2)	979575 (2)	nil	nil	1906376 (5)	
Bihar	228825 (1)	nil	373000 (2)	249913 (1)	nil	851738 (4)	

Note: The numbers in parenthesis represent the number of NGOs receiving the assistance

Source: Grants-in-aid scheme, Ministry of Labour and Employment, GOI.

The total amount of financial assistance received was the highest for UP, followed by Maharashtra and then Bihar and the same with regards to the number of NGO beneficiaries.

## V. Impact evaluation

NCLP scheme- At present, over 8.95 lacs children have been mainstreamed through the special schools in operation under NCLP in India ([7]). According to the 2013 Ministry report, among the 3 states under this study, the most successful in mainstreaming child labour has been UP with 134377 (14.99% of total working children), followed by Bihar with 40800 (9.03% of total working children) and then Maharashtra with 21720 (4.37% of total working children). The number of NCLP schools is 45 in UP and 25 in Bihar and the number of students are 900 and 500 respectively. In both the states, the number of boys is more than the girls enrolled. The staff in NCLP schools was adequate and in UP it is inadequate for 12% of the schools ([7]).

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GIA scheme- During the period 2005-06 to 2012-13, 20 NGOs from Maharashtra have received financial assistance under the scheme. 11 out of them are repeated beneficiaries and as per secondary sources of data available, only 3 are registered with the Charity Commissioner of Maharashtra. They include Urban Welfare Association, Mumbai, Gramin Vikas S& P Sansthan, Nagpur and Sonali Shikshan Santhan, Nagpur. Only 5 NGOs have been beneficiaries since 2008-09 to 2012-13. In case of UP 18 NGOs have received grants under the scheme during the period 2008-09 to 2012-13, out of which 4 are repeated recipients. In case of Bihar, only 1 NGO has been a beneficiary under the scheme during the period and has received assistance 4 times. If we assume that the schools are operational in fully provided capacity of 50 children per school, then under the GIA scheme, the children mainstreamed in UP would be 700, Bihar 50 and Maharashtra 250 for the 2008-09 to 2012-13 period. This is less than the impact and coverage of NCLP schools.

## VI. Policy implications, suggestions and conclusion

There are effective systems in place to monitor the impacts of NCLP schools, but not so with the schools under the GIA scheme for non-NCLP districts. Yet, considering the incidence of child labour and the slow progress in terms of mainstreaming, the number and districts covered under NCLP scheme have to be extended in the future. More frequent surveys of child labour are also required.

As per the provisions of the GIA scheme, it does not provide financial assistance for land, buildings and capital assets like computers, typewriters, vehicles etc. Thus the assistance is highly inadequate. The stipend is merely RS. 100 per month per child. The assistance for schools under GIA is only limited to 5 years. This needs to be extended depending upon the outreach and progress made by the school. Audit and inspection of special schools needs to be done. Over and above this, it must be stressed that both NCLP and GIA schemes have further scope to expand their activities. More so the problem of home-based child labour that remains hidden is not covered by either scheme and unfortunately unaddressed.

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