

Housing for Poor and the impact of IAY in rural India: Present context

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Abstract

Rural housing has been marginalized both in wider policy discussions as well as within the debate on rural issues because rural housing needs are generally subordinated to urban housing needs in policy priority. Yet housing is essential for the well-being and social security of rural households. Compared to urban areas, rural areas suffer more from the concentration of deprivation. With incomes generally lower than the urban areas and seasonal unemployment, many households find difficult to gain ownership of homes. This has implications for social sustainability of rural communities and is causing increased polarization as younger people migrate to the urban areas in search of jobs leaving behind their old folk and children resulting in negative impact on rural enterprise and economic viability. This paper intends to analyze the major housing scheme of the Indian government i.e., Indira Awaas Yojana. It is based on the secondary data. This An article analyses the housing condition in India; conceptual framework, housing problems of the rural poor, strategies for improving rural housing programme, housing shortages and policy implications.

Keywords: housing, shelter, livelihood, housing shortages

Introduction

Housing is universally recognized as one of the basic human rights. It is the responsibility of the Government to ensure that every citizen has a safe, secure and healthy place to live, work and lead a life of dignity. The WHO, states that housing is one of the basic requirements for human survival. For a normal citizen owning a house provides significant economic and social security and status in society. In other words, by ensuring the right to adequate housing in rural areas, the need to enhance quality of life and opportunity of growth is addressed. A large number of rural households especially those belonging to the vulnerable sections, are unable to access good housing and civic amenities due to low income. Besides absolute shortage, congestion and obsolescence, damage due to vagaries of nature such as flood cyclone, earthquake as well as incidence of violence, has added to the problem of housing shortage. Fulfilling the need for rural housing and tackling housing shortage particularly for the poorest is an important task to be undertaken as part of the poverty alleviation efforts of the Government. The Indira Awaas Yojana (IAY) is a flagship scheme of the Ministry of Rural Development to provide houses to below the poverty line (BPL) families in the rural areas. Under IAY, since inception, 320.55 lakh houses have been constructed, incurring an expenditure of Rs. 1,05,518.85 crores. The scheme IAY has significant impacts on output across different sectors of the economy, on income generation and distribution of different household classes in urban and rural areas, on employment across different sectors of the economy, and even on government revenue generation^[1].

From the current trends of housing in rural India, it can be assumed about half of the current shortage of 40 million houses would require financing through IAY and interest subsidy assistance. The rest of the 20 million households would be able to construct their houses through state schemes, their own sources or informal sources of finance such as money lenders, borrowing from family and friends or family

gifts. They are not able to procure a house for want of financial resources. Hence, fulfilling the need for rural housing and tackling housing shortage particularly for the poorest is an important task to be undertaken as part of the poverty alleviation efforts of the government.

IAY: From inception to present scenario

The Indira Awaas Yojana (IAY) was launched during 1985-86 as a sub-scheme of RLEGP. IAY, thereafter, continued as a sub-scheme of Jawahar Rozgar Yojana (JRY) since its launch in April, 1989. Six per cent of the total JRY funds were allocated for implementation of IAY. In the initial years the housing scheme addressed the needs of SC and ST families and families of bonded labourers in BPL category. From the year 1993-94, the scope of IAY was extended to cover non-SC/ ST families in the rural areas. IAY was delinked from JRY and made an independent scheme with effect from 1st January 1996. It is now a flagship programme of the Ministry of Rural Development as part of the larger strategy of rural poverty eradication, to provide dignity of an address to the poor households and to enable them to access benefits of other rural development schemes^[2].

The scheme Indira Awaas Yojana (IAY) was renamed as Pradhan Mantri Gramin Awaas Yojana (PMGAY), to provide housing for the rural poor in India. A similar scheme for urban poor was launched in 2015 as Housing for All by 2022. Indira Awaas Yojana was launched by Rajiv Gandhi, the then Prime Minister of India, as one of the major flagship programs of the Ministry of Rural Development to construct houses for BPL population in the villages. Under the scheme, financial assistance worth Rs.70,000/-in plain areas and Rs.75,000/- in difficult remote areas is provided for construction of houses. The houses are allotted in the name of the woman or jointly between husband and wife. The construction of the houses is the sole responsibility of the beneficiary and engagement of contractors is strictly prohibited. Sanitary latrine and smokeless chullah are

required to be constructed along with each IAY house for which additional financial assistance is provided from ‘Total Sanitation Campaign’ and ‘Rajiv Gandhi Grameen Vidyutikaran Yojana’ respectively. This scheme, operating since 1985, provides subsidies and cash-assistance to people in villages to construct their houses, themselves. As per the Budget 2011, the total funds allocated for IAY have been set at 100 billion for construction of houses for BPL families with special focus on the Left Wing Extremist (LWE) districts. Under the scheme, eligible people will get a financial assistance from government amounting to Rs.1.2 lakh for constructing their houses in rural areas and an amount of Rs.12,000/- for constructing toilets. In addition, they can also borrow an amount of Rs.70,000/- ^[3].

Under PMAY, it is proposed to build 2 crore houses for urban poor including Economically Weaker Sections and Low Income Groups in urban areas by the year 2022 through a financial assistance of 2 trillion from central government. This mission has four components viz., In-situ Slum Redevelopment with private sector participation using land as resource, Affordable Housing through Credit Linked Subsidy, Affordable Housing in Partnership with private and public sector and Beneficiary led house construction/enhancement. Under these components, central assistance will be in the range of Rs.1 lakh to Rs.2.30 lakh.

The houses given under this scheme will be owned by females or jointly with males. Financial assistance provided under IAY during the years is mentioned below:

Table 1

S. No.	Year	Financial Assistance under IAY	
		Plain Area	Hilly/Difficult Area
1	1985-86	Rs.10,000	Rs.10,000
2	1990-91	Rs.12,700	Rs.14,500
3	1994-95	Rs.14,000	Rs.15,800
4	1996-97	Rs.20,000	Rs.22,000
5	2004-05	Rs.25,000	Rs.27,500
6	2008-09	Rs.35,000	Rs.38,500
7	2010-11	Rs.45,000	Rs.48,500
8	2013-14	Rs.70,000	Rs.75,000

Objectives of the study

The present paper is an attempt to focus on the appraisal of evaluation of various components embedded in the schemes and more particular attitude and reactions for the peoples for the schemes have been implemented. However the specific objectives of the study are as under.

1. To understand the continued paradox of housing availability and housing shortage for the rural poor in India.
2. To focus on the socio-economic aspects of the targeted beneficiaries that plays an important role in the community development of poor in rural India.
3. To examine the perception of the house as a symbol of ‘social status’ of rural poor in study area.
4. To draw the attention of policy makers and other providers to address the salient variables identified while implementing or planning shelter programmes for the rural poor in India.
5. To study the empowerment through the eradication of poverty of vulnerable sections in the society in India.

6. To identify different best practices adopted in the implementation of IAY;
7. To suggest interventions for refinement of national rural housing policy for effective implementation of IAY

Methodology

The present study is based on the exploratory as well as descriptive research. It is also based on secondary sources. The secondary sources are collected from the journals, articles, books, Government reports, Economic Surveys, Census reports, and newspapers etc. for intensive analysis. This paper intends to analyze the impact of housing for rural poor in India in eradication of poverty of rural poor.

Technological Components in IAY

If the IAY beneficiaries so desire, government departments can provide technical assistance, like innovative technology, low-cost but quality building material, designs and methods of constructing or upgrading houses to durable and disaster-resistant lodgings or arrange for coordinated supply of raw materials like cement, bricks etc., though not innate in the scheme itself ^[4]. Some of the Research Agencies in rural housing are:

1. Central Building Research Institute, Roorkee
2. National Institute of Rural Development (NIRD), Hyderabad
3. Advanced Materials and Processes Research Institute (AMPRI), Bhopal
4. National Building Construction Corporation Limited (NBCCL), New Delhi

Also State governments may give guidance on cost effective environment friendly technologies, material and designs for rural houses. Around 85 Rural Building Centres were set up by the Ministry to enable access in different parts of the country to appropriate technologies and capacity building at the grassroots level. Though the scheme has been discontinued from 2004, these centres are expected to continue to support technology transfer and produce cost-effective material.

Review of Performance of IAY

Vision for Rural Housing as formalized by the Ministry of Rural Development is to “ensure adequate and affordable housing for all and, facilitate development of sustainable and inclusive habitats in rural areas by expanding government support, promoting community participation, self-help and public-private partnership within the framework of Panchayati Raj” ^[5]. The Planning Commission of India has constituted a Working Group on Rural Housing to provide a perspective and approach to rural housing under the Twelfth Five Year Plan. The housing shortage in rural India was estimated at 40 million households until the end of the twelfth plan period. The working group advocated measures to address the need for safe and sustainable housing by all segments of the rural population as part of a ‘holistic habitat development’ approach, which also includes sanitation, water supply, domestic energy and insurance cover ^[6]. The target set for IAY under the XI Five year plan was 150,00,000 houses over a period of five years. As of 30th June 2011, 10593557 were constructed with an achievement of 86.54%.

Suggestion for the Policy Implications

This section makes some important policy suggestions for strengthening the housing policies and programmes of the government on the basis of the above discussions. The important suggestions are as follows.

1. From the experience gained by implementing various schemes for rural housing so far, the following strategies are expected to realize the vision of a safe and sustainable housing for the rural masses.
2. The need of the study at present is to conduct an all- India housing survey to assess the present housing shortages of rural people, especially for downtrodden in rural areas.
3. To motivate people in general, and the houseless in particular, for securing affordable shelter through easy access to land, materials, technology and finance, conscious efforts are required to initiate large scale awareness programmes.
4. To improve the environment of human settlements. Government should provide drinking water, sanitation and other basic amenities.
5. The priority must be accorded to victims of natural calamities, low-income groups, economically and socially weaker sections, widows, and matriarchal family.
6. The foremost recommendation is to bring the policy of Housing for All.
7. Providing and enforcing a well-defined, transparent and monitorable techno-legal regime to ensure access to housing for all sections of the rural population through community and Panchayat based processes.

Research and development in building materials based on local resources must be encouraged on ongoing basis by the national housing bank and the National Institute of Designs (NID).

Conclusion

The scheme Indira Awaas Yojana aims at providing a new house site and a new house to the rural poor. However, as seen above, not all the rural poor need this kind of help. Shelter does not mean a just a roof over one's head. A house must have connectivity to drinking water supply. Sanitation, electricity etc are must to ensure a feeling of security to its inhabitants. Hence this paper is to spell out that Indira Awaas Yojana have the positive impact on human development particularly in rural areas. It is essential to have a policy which provides access to adequate shelter to its population in the village, especially to the poorest and vulnerable in rural society. A house with the basic amenities of water, sanitation and domestic energy, offering a sense of privacy, safety and dignity is the right of every individual in society. Housing, a basic need, has gradually evolved as a prime component not only as shelter but also by providing employment opportunities and aiding local development. To meet the ever growing demand of urbanization, the State government has been proactive in its housing policies. Housing for the poor and downtrodden assumes greater importance both in rural and urban areas India. The emphasis of rural housing should be more and more on inclusiveness and on quality improvement. When a poor man owns a house, it helps in giving him a self-identity. Housing sector has positive impact on overall standard of living of the rural people. There is also serious need to build a market based inclusive and sustainable housing finance system. The provision of shelter and hence

the roof to every rural poor has been and will continue to be a major component of the poverty alleviation measures of the Government in the years to come.

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