ROLE OF NATIONAL RURAL SUPPORT PROGRAM (NRSP) IN INCOME ENHANCEMENT OF RURAL WOMEN: A CASE STUDY OF DISTRICT POONCH, AZAD KASHMIR

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ABSTRACT

The study was initiated at Department of Economics/Agri-Economics PMAS, University of Arid Agriculture Rawalpindi, Pakistan during 2009, to assess the role of NRSP in income enhancement of rural women in rural areas of District Poonch. The major objective of the study was to analyze the effects of credit and saving program of NRSP on the socio-economic conditions of women in the study area. A primary survey has been conducted to capture the realistic experience and observations from the beneficiaries of NRSP. Multistage simple random technique was used to select 60 respondents from 12 Women Organizations (WOs) formed by NRSP in program area. These WOs were purposively selected because these WOs contains comparatively majority of beneficiaries who got credit and trainings since long ago. The results of the study showed that majority of the respondents (66.6%) were literate and belongs to age group of 20-40 years (58.3%). The results further depict that majority (48.3%) of respondents obtained loan for livestock production and 35.5% for small business enterprises. As a result of economic interventions of NRSP, production of major crops in research area has positively changes (Wheat from 1490kg to 1604kg, maize from 3894kg to 4026kg) and income of respondents also changed from Rs. 9433 to Rs. 11821. The paper recommends that the amount of credit should at least be double and the easy and convenient interest rate. Repayment period should be doubled so that maximum benefits could be achieved from the NRSP’s interventions.

KEYWORDS: Rural women; income generating activities; NRSP; Azad Kashmir; Pakistan.

INTRODUCTION

Women’s role in our society is vital for the provision of adequate nutrition and a household’s sustenance security. They have the greatest potential to make decisions that can positively affect their economy. However, the position and
status of women within society strongly affects their ability to make decisions, which may realize that, potential (8). Women usually play a vital role in building the society in healthier and stronger way. Most of the women especially the women of rural areas usually bear double burden of domestic and outside work. The role of such women is reflected by their ability to make decisions in the spending of household income, the quantity and quality of childcare they are able to provide, and general attention to their own well being. The outcomes of decisions based on women’s standing within the framework of society also inform us about their status and position (12). In all societies, women’s development is a pre-requisite for overall national progress. Indeed no society can ever develop without involving women in its developmental process, as females are almost fifty percent of the overall human resource. In rural society women are responsible for different roles and duties including wife, mother, producing crops, livestock and agricultural activities and preparation of food. Rural women have the potential for developing the rural economy which leads to generate their income and also provide way for rural development.

According to the Labour Force Survey 1999-2000 the female participation rate was merely 14 percent of the total labour force. Even though the average annual growth rate of the female labour force participation has been increasing slightly in Pakistan; it was 4 percent in 1980-99 and has gone up to 5.1 percent during 1995-98, however, this rate is still very low in comparison to other South Asian countries: 42 percent in Bangladesh, 41 percent in Nepal, 32 percent in India and Bhutan, 37 percent in Sri Lanka (3).

Pakistan is basically an agrarian country and is trying its best to stand in the row of the developed countries. The population of Pakistan is about 188 million and female constitute 49.8 percent of the population. The total civilian labour force of the country is about 45.7%. Female Labour force participation is 21.5% of the total population of Pakistan. Pakistani women usually engage in preparing food, doing laundry, take caring of their family and also performing agricultural duties and constitute only 20% of labour force of Pakistan (7) but these women do not get the same access to resources as men due to socio-cultural and traditional factors (20). Availability of financial assistance is very crucial for any economic activity. In Pakistan two sectors (formal and informal) are mainly involve in providing financial assistance to poor women (14). Informal sectors involve local money lenders and traders of local market (13) while the formal sector includes different NGOs who are providing short and medium term loan to rural women for income generation activities (16, 19).
There are different studies that give stress on women’s access to productive resources and financial institutions as gender inequalities in developing countries (6) because these women have potential to participate in developmental activities and have more superior repayment rates than that of men(10). In order to improve the socio-economic conditions of women, different rural support programs (RSPs) have been established in Pakistan over the last few years. The major objective of RSPs is the strengthening of local community for rural development in the rural and backward areas of country (17). On the basis of development model of AKRSP, The Federal Ministry of local Government and Rural development set up National Rural Supports Program (NRSP) in 1992, working in four provinces of Pakistan and Azad Jammu and Kashmir (4). NRSP is designed in such a way that it specializes as a support organisation, which provides social guidance to the communities through community organization (CO), upgrading of human skills and capital formation through savings and provision of credit. The main objective of NRSP is to foster a countrywide network of grassroots level organisation to enable rural communities to plan, implement and manage developmental activities and programs for the purpose of ensuring productive employment, alleviation of poverty and improvement in the quality of life in the project area (5).

Objectives

i. To examine the interventions introduced by NRSP for income enhancement of rural women.

ii. To measure the effect of credit and saving program of NRSP on the lives of poor women.

iii. To suggest the policy guidelines on the basis of research findings.

MATERIALS AND METHODS

Survey design, data collection and data analysis

Driving accurate information is highly dependent upon the method of how to conduct a survey and the interview schedule is the most common approach (9) and in the present study the data was collected through this approach in the year of 2009. In the present study, all the seven districts of Azad Jammu and Kashmir were selected as Universe of study and out of these seven districts, district Poonch was purposively selected as study area because there is maximum number of beneficiaries who obtained credit and trainings as well since long ago.
Although a large sample size gives better results but due to financial and time constraints, the sample size was restricted to 34% of the Women Organizations. Keeping in view the resource constraint out of all 175 WOs, 12 were purposively selected. A sample size of 60 women, who received credit and got trained in different fields for income generation by the help of WOs of NRSP, was selected by simple random sampling technique from the 12 selected WOs of NRSP (1). The collected data were analyzed after sorting, with the help of suitable computer software (SPSS). Simple statistical techniques including frequency distribution, sums, ranges and percentages were also performed. As the study compared the yield of crops before and after taking credit and trainings, t test was applied for each crop to test the significance.

**RESULTS AND DISCUSSION**

**General characteristics**

In order to give a brief overview of the socio-economic conditions of the research area, first some information on the general characteristics is presented in Table 1. Results of field investigation showed that the women who joined the were mainly belonging to the age group 20-40 year. This contributes 58% of the total. Majority of the respondents were literate i.e. 66% while the rest of the respondents were illiterate (2)).

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>Percent distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Age group of respondents</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20-40 years</td>
<td>58.3</td>
</tr>
<tr>
<td></td>
<td>41-60 years</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Above 60</td>
<td>10</td>
</tr>
<tr>
<td>2.</td>
<td>Literacy rate (percentage)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Literate</td>
<td>66.6</td>
</tr>
<tr>
<td></td>
<td>Illiterate</td>
<td>33.3</td>
</tr>
<tr>
<td>3.</td>
<td>Occupational distribution</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Housewives &amp; work</td>
<td>86.6</td>
</tr>
<tr>
<td></td>
<td>Solely working</td>
<td>13.3</td>
</tr>
<tr>
<td></td>
<td>Average family size</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: Field survey 2009

It is worth mentioning here that overwhelming majority of respondents was housewives who along with household responsibilities perform income

*J. Agric. Res.*, 2016, 54(3)
generating activities like agriculture and small business at the household level. Some of them (13%) were govt. employees. The key reason of involvement of women in agri-activities is that they had low level of education and no or few opportunities of jobs. Majority of respondents i.e. 86.6% were doing jobs besides their household work (18). The average size of household was 7.

**Empirical findings**

**Training programs imparted by NRSP**

Livestock development, Poultry and agriculture are the main fields where women are actively involved. Keeping in view the importance of these three occupations as extra sources of income for women, the NRSP has designed special programs to enhance the production of livestock, poultry and agriculture. Other developmental activities in which NRSP impart trainings is: Nursery raising, vocational training, saving & record keeping. The data in (Table 2) reflects that majority of respondents had got training in livestock.

**Table 2. Distribution of sample respondents by adoption of training.**

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>Percentage distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Livestock management</td>
<td>40</td>
</tr>
<tr>
<td>2.</td>
<td>Poultry farming</td>
<td>22.2</td>
</tr>
<tr>
<td>3.</td>
<td>Nursery raising</td>
<td>11.1</td>
</tr>
<tr>
<td>4.</td>
<td>Vocational training</td>
<td>15.5</td>
</tr>
<tr>
<td>5.</td>
<td>Saving &amp; record keeping</td>
<td>11.1</td>
</tr>
</tbody>
</table>

Source: Field survey 2009

**Purpose of loan**

In order to enhance the income women and provide them the facilities for income generating activities, NRSP disbursed micro-credit for the purchase of vital agriculture inputs such as fertilizers, seeds, farm equipments, purchase and developing of poultry farming and livestock and the development of small enterprises. The data from field survey showed that respondents obtained loan mainly for three purposes: livestock, small enterprises and poultry farming. Loin share of credit went to livestock sector i.e. 48% followed by small scale enterprises and poultry farming. As climatic conditions suit to the livestock sector and have good markets for livestock products. So majority of the respondents obtained loan for livestock production purpose. The results are tallies with that of Javed *et al.* (15) that majority of respondents (42%) received loan from NRSP for the purpose of rearing of livestock/poultry.
The maximum amount of loan received by the sample respondents was Rs.30,000 and minimum Rs.5000. The data presented in table 3 reveals that maximum number of sample respondents (68%) obtained Rs. 10,000 as loan. It seems that NRSP in exceptional cases advanced credit up to Rs. 30,000. The reason could be the NRSP’s policy.

Table 3. Purpose and amount of loan.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>Percentage distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose of loan</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Small enterprises</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Livestock management</td>
<td>48.3</td>
</tr>
<tr>
<td></td>
<td>Poultry Farming</td>
<td>16.6</td>
</tr>
<tr>
<td>Amount of loan</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5000</td>
<td>13.3</td>
</tr>
<tr>
<td></td>
<td>10,000</td>
<td>68.3</td>
</tr>
<tr>
<td></td>
<td>15,000</td>
<td>8.3</td>
</tr>
<tr>
<td></td>
<td>20,000</td>
<td>6.7</td>
</tr>
<tr>
<td></td>
<td>30,000</td>
<td>3.3</td>
</tr>
</tbody>
</table>

Source: Field Survey 2009

Effects of NRSP’s credit on respondents

Effects on cultivated area / yield per kanal: Data (table 4) reflect that due to availability of credit and trainings there is significant improvement in agriculture. Most of the respondents brought more land under cultivation which was lying uncultivated because of lack of finance. Moreover, the per unit yield were also increased. These changes occurred in research area to a greater extent by the use of agri-inputs like improved variety of seeds and fertilizers etc. The climate of AJK is also very favorable for agricultural activities. So it might be the one of the reason of increase in the cultivated area/yield per kanal. Due to favorable climate for agricultural activities, people may commercially grow the agricultural products but unavailability of commercial markets may hinder the cultivation up to commercial level.

Table 4. Effects on cultivated area/yield per kanal

<table>
<thead>
<tr>
<th>Description</th>
<th>Before credit &amp; training</th>
<th>After credit &amp; training</th>
<th>% change</th>
<th>T-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.Area ( in kanals)</td>
<td>23.76</td>
<td>35.86</td>
<td>50.93</td>
<td>6.07</td>
</tr>
<tr>
<td>2.Yield( in kgs) wheat, maize &amp; vegetables</td>
<td>3386</td>
<td>4118</td>
<td>21.62</td>
<td>6.45</td>
</tr>
</tbody>
</table>

Source: Field Survey (2009)  Significant at 5%
Effects of NRSP’s interventions on crop yield (kgs)

Due to credit and training there is an positive increase in the production of wheat, maize and vegetables. The main reasons of increase in production are: timely use of improved seeds, fertilizers and improved methods of cultivation. The main crops of research area are wheat and maize. There is no awareness about multiple cropping that would be helpful for further income generation. Vegetables are grown for home purpose only. In very rare cases vegetables and crops are grown for commercial purpose.

Table 5. Effect of NRSP’s interventions on crop yield (kgs)

<table>
<thead>
<tr>
<th>Crops grown</th>
<th>Yield before credit &amp; training</th>
<th>Yield after credit &amp; training</th>
<th>% change</th>
<th>T-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.Wheat</td>
<td>1490</td>
<td>1604</td>
<td>7.65</td>
<td>5.99*</td>
</tr>
<tr>
<td>2.Maize</td>
<td>3894</td>
<td>4026</td>
<td>3.39</td>
<td>3.08*</td>
</tr>
<tr>
<td>3.Vegetables (potato, tomato &amp; chilies etc)</td>
<td>400</td>
<td>547</td>
<td>36.75</td>
<td>8.26*</td>
</tr>
</tbody>
</table>

Source: Field Survey (2009), Significant at 5%

Marketing of agri-products

Availability of markets is major problem in research area that’s why people were reluctant to produce products for commercial purpose. The field data in (Table 6) showed that almost all of the respondents don’t have availability of formal markets. They sold their agri and other products through informal marketing system. These informal source of markets included local people or hotel and small shops in the nearby village. Mostly the consumption of agri-products is within the local community. This local community may be within the village or outside of village of beneficiaries.

Table 6. Distribution according to the availability of markets for agri-products.

<table>
<thead>
<tr>
<th>Categories</th>
<th>Trar</th>
<th>Rehara</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1.Informal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within village</td>
<td>21</td>
<td>65.6</td>
<td>19</td>
</tr>
<tr>
<td>outside the village</td>
<td>11</td>
<td>34.4</td>
<td>9</td>
</tr>
<tr>
<td>2.Total</td>
<td>32</td>
<td>53.3</td>
<td>28</td>
</tr>
</tbody>
</table>

Source: Field Survey 2008

Monthly income of respondents

Household income is a good indicator of household economic conditions. The data in (Table 7) showed that monthly income of beneficiaries had increased
from Rs. 9433 per month to 11821. There is positive change in the income of respondents (11). The beneficiaries, it is clear that income of beneficiaries had utilized the credit for productive purposes which resulted in increase in their income.

Table 7. Monthly income of respondents before and after taking credit.

<table>
<thead>
<tr>
<th>Village</th>
<th>Average monthly income/household (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Before credit</td>
</tr>
<tr>
<td>1. Trar</td>
<td>5029</td>
</tr>
<tr>
<td>2. Rehara</td>
<td>4404</td>
</tr>
<tr>
<td>3. Total</td>
<td>9433</td>
</tr>
</tbody>
</table>

Source: Field Survey 2009, *Significant at 5%

Respondent’s response of the income expenditure

In earthquake, the houses of majority of people of the research area were collapsed or they were got major cracks. Also the health condition of people of area was badly affected. So by analyzing the field data in table 8, it is revealed that as the income of beneficiary increases and as result their living conditions improve significantly. The increase in income is largely spent on house construction. Some portion of income has also been spent on health and education.

Table 8. Respondent’s response of the income expenditure.

<table>
<thead>
<tr>
<th>House structure &amp; health</th>
<th>Education</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>41</td>
<td>68%</td>
<td>6</td>
</tr>
<tr>
<td>90%</td>
<td>60%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey 2009.

CONCLUSIONS AND RECOMMENDATIONS

NGOs are is playing a pivotal role in the empowerment of rural women by adopting different types of interventions like formation and strengthening of Women Organizations, awareness about women’s potential and development of human resources which in turn enhances their capabilities. Due to credit and saving program of NRSP, the socio-economic conditions of rural women of study area was improved. The production of crop and livestock has increased due to timely use of agri-inputs, credit and trainings in different fields of agriculture. Training component improved the skill of beneficiaries on more scientific lines for future income enhancement. Besides of all these there are also some short comings of this credit and saving program of NRSP. With the passage of time NRSP reduced its credit amount i.e. Rs.
Role of NRSP in income enhancement of rural women

10,000, so the majority of respondents were not satisfied with loan amount. Majority of respondents complained about interest rate of loan which is very high i.e. 18%. Most of the trainings are conducted outside of the city and it is very difficult for trainees to go outside of their cities due to socio-cultural problems.

Although the enough attention had been given by NRSP in income enhancement of rural women but there are also some shortcomings, which needs to a skillful attention. On the basis of research findings and face-to-face discussion with beneficiaries, following recommendations are put forward for the further improvement.

- Size of loan should be increase for the efficient achievement of the results. This is because that most of women want to expand their business or establish a new business and they need more money for this purpose.
- It is the demand of the time that the grace period to retire the loan must be increase. It will encourage the rural women to take loan and start income generating activities.
- NRSP should provide loan on affordable interest rate.
- The recovery procedure of loan should be linked with the stream of income of respondents. Because the actual poor cannot afford to repay the loan through this recovery scheme initiated by NRSP.
- A diversified training program must be initiated in rural areas. In order to increase the involvement of rural women in economic activities, training centers for different activities suited to them, must open. This will help them to perform their activities in a better way. For better utilization credit and their skills, training centers should be introduced.
- Trainings should be imparted on the needs and demand of WOs members.

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J. Agric. Res., 2016, 54(3)


Received: December 03, 2013 Accepted: September 16, 2015

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Jamila Khurshid : Reviewed the writeup
Shumaila Sadique : Data analysis
Saeed Akhtar : Writeup preparation

J. Agric. Res., 2016, 54(3)