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**Assessment of Employment Generation Potentials of  
Jal Jeevan Mission**

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## Assessment of Employment Generation Potentials of Jal Jeevan Mission

### Abstract

Launched in 2019, the Jal Jeevan Mission (JJM) aims at providing Functional Household Tap Connection (FHTC) to every rural household in the country, with the provision of 55 litres per capita per day (lpcd). Since 2019, when coverage of rural household was only 16.63%, the mission has been able to cover about 2/3<sup>rd</sup> of rural households so far. One of the distinct features of the mission is that it lays emphasis on service delivery rather than only creation of infrastructure. Moreover, with the large amount of investments being made in infrastructure development and the involvement of local community in its management, the mission holds significant potential in creating employment in various phases of its implementation. So far, there are hardly any studies conducted on the extent of employment generation under the government funded water supply schemes. In this backdrop, this study aims to assess the employment generation potentials of JJM at various stages of its implementation. We utilised secondary data and scheme level primary data from major states of India and used input-output model and ratio method to assess the overall as well as the direct and indirect employment potential under JJM. Our results suggest that JJM has the potential to generate an average of 5,993,154 person-year of direct and 22,255,324 person-year of indirect employment during the construction phase, and 1,118,749 person-year of additional direct employment annually during the Operations & Management (O&M) stage. Our study highlights these spillover effects of public investments in rural water supply systems in the form of employment generation.

**Keywords:** *Jal Jeevan Mission, employment generation potential, drinking water supply*

## 1. Introduction

The year 2019 was a watershed year in the history of drinking water supply in rural India with the launch of Jal Jeevan Mission (JJM). The mission aims at providing individual household tap water connection to every household with the provision of 55 litres per capita daily (lpcd). Since its launch in 2019, when the coverage of rural households was 16.63%, the mission has managed to cover 2/3<sup>rd</sup> of rural households in the country. The mission aims to provide regular supply of adequate quantity of quality water to prevent deaths and illnesses due to water-borne diseases, eliminate drudgery in accessing drinking water, and improve health and productivity of people in rural areas. One of the distinct features of the mission is that it focuses more on service delivery rather than just creating infrastructure. Moreover, with the scope of decentralized governance and a greater community engagement, the mission holds significant potential of spillover effect in generating employment in various phases of its implementation apart from providing adequate quantity of quality water to rural households.

The creation of any public infrastructure generally has direct, indirect, and induced effects on employment (Nourelfath, Lababidi, & Aldowaisan, 2022). The direct impact includes the employment generated during the construction and O&M phases of an infrastructure project. For instance, under JJM, the creation of infrastructure such as Functional Household Tap Connections (FHTCs), water storage tank, and treatment plant provides employment in laying pipes and other construction activities, whereas other skilled workers such as engineers, valve men, pump operators, and the managerial staff are employed for proper execution of planned schemes. Similarly, the O&M of the scheme also requires several skilled workers such as waterman, pump/valve operator, supervisor, watchman, etc. to regularly inspect the infrastructure and ensure uninterrupted service delivery. While the construction stage generates one time employment, the employment generated at the O&M stage is perpetual. Further, the indirect employment generated during the production, storage, and transportation stages of materials used at the construction as well as O&M stages and in the production of inputs used in those materials, is likely to be substantial.

Investment in infrastructure has a positive effect on job creation in every future time period compared to an earlier time period (Bennett, 2019). In the construction phase of JJM, tenders are awarded to private entities to ensure the completion of infrastructure creation within stipulated timelines. After the construction phase, a part of Multi-Village Schemes is centrally managed under the state departments but are often contracted out to the private entities under five-year agreements (Government of India, 2019). The O&M of water supply schemes, when locally managed, creates jobs at the lowest economic level where unemployment tends to be high with lower skill levels (Wall, 2023). So far, literature provides sparse evidence on how quality drinking water facilities would lead to better health and higher labor supply and productivity (Asit, Ramani, & Cecilia, 2005; Devoto, Duflo, Dupas, Parienté, & Pons, 2012; Kremer, Leino, Miguel, & Zwane, 2011), and there is a real need for studies assessing spillover effect of any public water supply schemes on employment generation. Keeping in mind existing literature, this study aims to estimate the level of employment potentially being generated under JJM.

### **1.1. Types and nature of schemes under JJM**

As per JJM operational guidelines, the following types of schemes can be implemented depending on factors such as geographical terrain, population density, availability of water sources, and the feasibility of infrastructure implementation in a specific region:

#### *Single Village Scheme (SVS)*

SVSs are planned and implemented targeting a single village or a cluster of habitations making up a single village having adequate groundwater/spring water/local or surface water source of prescribed quality identified within or near the village boundaries.

#### *Multi Village Scheme (MVS)*

As the name suggests, an MVS comprises a cluster of villages and aims to optimize resources and infrastructure by serving multiple villages/habitations with a single water supply system. MVSs are planned where villages do not have nearby sustainable source (ground/surface) or if the available groundwater source is contaminated. In this case, an alternative source is identified nearby and planned in a way that supplies water to all enroute villages.

#### *In-Village Distribution System (IVDS)*

IVDS, also known as in-village Piped Water Supply (PWS), refers to the network of pipelines, storage facilities, and distribution points that are established to ensure the supply of piped water to individual households within a village. The IVDS schemes include the laying of pipeline and tap connections for which the water is mostly sourced from an MVS.

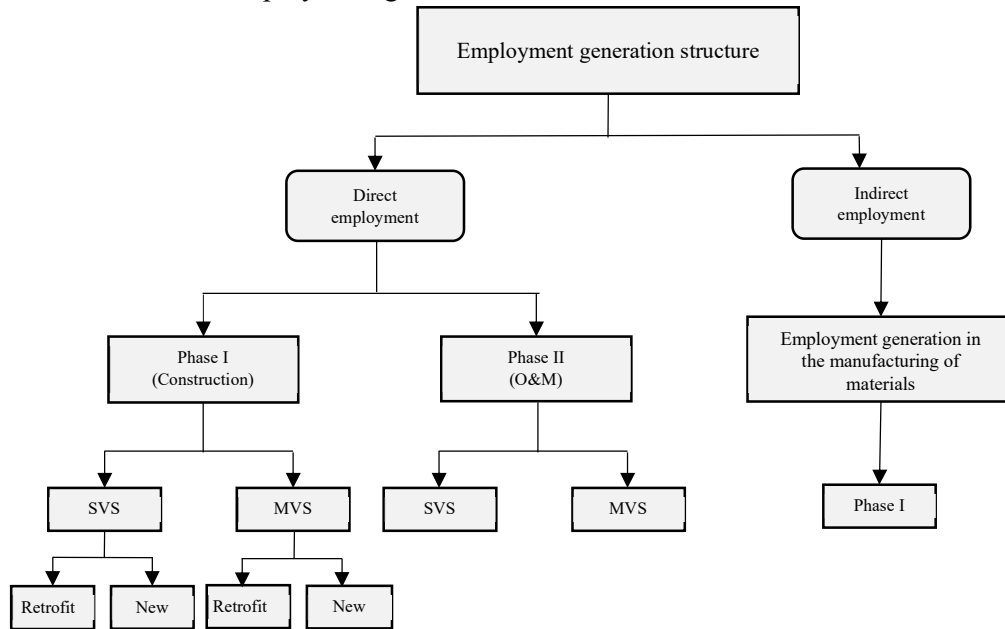
Each of the above types of schemes is implemented in two different phases, i.e., construction and O&M. The construction of schemes takes approximately 12 to 18 months for IVDSs and SVSs, and 24 to 36 months for MVSs. Post construction, MVSs are operated and maintained by the contractors (with contracts renewable every 5 years), while SVSs are handed over to the community (Gram Panchayat) after a mutually decided tenure of O&M (may vary from state to state).

Apart from the above categorization of schemes, the nature of construction of schemes can be different such as: i) a scheme can be completely new, provided the village had no water supply facility/infrastructure in the past, ii) in case a village has existing PWS system, but it is supplying water through stand post or if water quantity is less than 55 lpcd, it can be retrofitted/renovated to provide FHTC within household premises by extending existing water supply line. If required, the source is strengthened/augmented to meet future water demand.

### **1.2. Structure of employment generation under JJM**

JJM helps to generate both direct and indirect employment in its two phases: construction and O&M. The employment generated during the construction phase is expected to be larger than the employment needed for annual O&M. However, this may not hold true in the long-run as the employment generated at the construction phase is one-time and depends upon various factors such as scheme size, nature of the scheme (retrofit/new), availability of manpower and topographic conditions, whereas employment generated at the O&M phase is more likely to be permanent. Again, in each of these phases, employment generated may vary based on the type of scheme (MVS or SVS) and nature of the scheme (retrofitted or newly constructed). Indirect employment is generated in the production, storage, transportation, and distribution of materials directly or indirectly needed for JJM. Direct materials are pipes, valves, meters, construction materials, etc. whereas indirect materials are steel, and other raw materials that go into making pipes, valves, meters, etc. These requirements at the construction as well as O&M phases need to be assessed, and the total employment generated can be thus estimated. The conceptual structure of employment generated is given below in **Figure 1**.

**Figure 1.** Structure of employment generation under JJM



**Source:** Authors' depiction

**Note:** i) MVS: Multi Village Scheme; ii) SVS: Single Village Schemes

## 2. Objectives

This study aims to assess the employment generation potential in the construction and O&M phases of JJM. Specifically, the objectives are:

1. To estimate the total employment generated in the construction phase.
2. To estimate the direct and indirect employment generated in the construction phase.
3. To estimate the direct employment generated in the O&M phase.

### 3. Methodology

#### 3.1 Study framework

This study estimates employment potentials under JJM using mainly two different methods. First, we utilise the input-output (IO) model to estimate the total employment potential during the construction phase. Further, using the ratio method, we estimate the direct employment potential at different phases of implementation of JJM utilising scheme level data from various representative states. We also estimate partial indirect employment generated during the construction phase which involves production, storage, and transportation of direct material by employing ratio method. We did not attempt to compute the indirect employment created during the O&M phase, as it is likely to be small. We also did not attempt to compute the induced employment generated by JJM in this study, as it requires household data.

The motivation of the study is to bring forth a national level assessment of one-time construction phase and long-term O&M phase employment generation under JJM. To make this study nationally representative, we use data from many states spread throughout the country and we estimate the employment potential of other states by grouping them with the states from where we received the data, through cluster analysis utilising data on factors that are likely to impact employment in drinking water supply schemes.

#### 3.2. Analytical tools

We employ two major analytical tools: an IO model to understand the level of total (direct and indirect) employment generated at the national level, and ratio method to estimate the direct and a part of the indirect employment potential generated at the national and various state levels.

##### 3.2.1. Leontief Input-Output Model

The Leontief input-output model is utilised to estimate the total employment which includes direct and indirect employment generation during the construction phase. This method helps estimate the overall employment more comprehensively than the ratio method. In this study, we use the input output model as used by Garrett-Peltier (Garrett-Peltier, 2017) in estimating the impact of additional investments in the renewable energy industry on employment. In this method, the total output of an industry can be expressed as:

$$X = Y + AX \quad (1)$$

Here, X is the total output, Y is the final demand, and A is the IO matrix for the economy. AX gives the output produced by different industries which is used as input in the production process in other industries. This equation can be simplified to obtain the total output of any industry as below:

$$X = (I-A)^{-1} Y$$

$$\text{Thus, } \Delta X = (I-A)^{-1} \Delta Y \quad (2)$$

$(I-A)^{-1}$  is called the total requirement table or the Leontief inverse.

To derive the impact on employment, we arrive at an employment requirement matrix ( $E_r$ ) from the Leontief inverse matrix and the employment requirements coefficient matrix ( $E$ ), where  $E$  is a diagonal matrix indicating the employment output ratios (number of people employed/total output) for each industry. The matrix  $E_r$  helps us estimate the number of jobs generated, both directly and indirectly, at any level of planned output.

Therefore, employment generated ( $E_g$ ) can be estimated as:

$$E_g = E_r * Y$$

$$\text{Since } E_r = E * (I-A)^{-1}$$

$$E_g = E * (I-A)^{-1} Y$$

So, additional employment generated can be computed as:

$$\Delta E_g = E (I-A)^{-1} \Delta Y \quad (3)$$

We estimate the employment generated by JJM using equation (3). We generate the employment requirements coefficient matrix ( $E$ ) by computing the employed person/output for each component industry of drinking water supply, which is then used to arrive at employment requirement matrix ( $E_r$ ).

### 3.2.2. Ratio method

#### *Direct employment*

In this method, ratios are developed for empirical analysis and estimates of the ratios are computed using a sample of scheme level data from selected states. Subsequently, the estimated ratios are utilised to extrapolate the results at the state and national level. The ratio we have chosen for this purpose is '*Employment generated to Household*'. We consider household as the unit of estimation, as we know the total number to be covered and it is expected to be stable across geographical regions. This method is used for direct employment estimates at both construction and O&M phases.

As a first step, direct labour employment is estimated for each scheme  $i$  in a state  $j$  as follows.

$$DLCP_{ij} = TLCP_{ij} / NHH_{ij}$$

Here,  $DLCP_{ij}$  is the direct labour requirement per household for sample scheme  $i$  for state  $j$  in the construction phase,  $TLCP_{ij}$  is total labour requirement in the construction phase in the sample schemes, and  $NHH_{ij}$  is the number of households to be served in the scheme  $i$  in state  $j$ .

As a second step, the average of  $DLCP_{ij}$  for the sample states is computed to obtain state average ratio,  $DLCP_j$ . This state ratio is used to compute the potential employment likely to be generated in the state  $j$  ( $E_{gj}$ ).

$E_{gj} = DLCP_j * TNHH_j$ , where,  $TNHH_j$  is the total number of households to be covered under JJM in the state  $j$ .

In order to compute the potential employment in states other than the sample states, we use cluster analysis, where states are clustered based on demographic and hydrological parameters. We compute average cluster ratio from the sampled states in a particular cluster and use it for computing employment in states other than the sample states within the cluster.

The total direct labour requirement per household in the construction phase in other than the sample states  $j$  ( $DLCPO_j$ ) is thus estimated as

$$DLCPO_j = ADLCP_c * TNHH_j$$

where  $ADLCP_c$  is the average direct labour requirement per household in the construction phase from the sample states in the cluster  $c$ .

The same approach is followed in the O&M phase to estimate the employment generation potential utilising scheme level sample data.

### ***Indirect employment***

To assess the indirect employment generation under JJM in the construction phase, we first estimate the budget amount utilised towards materials ( $B_m$ ) from the total JJM budget ( $B$ ). For this purpose, we use a sample of public tender documents and the questionnaires filled in by a sample of contractors. The estimate was further disaggregated to specific materials ( $k$ ) like HDPE pipes, steel, valves etc. Then we multiplied the aggregate budgeted amount for materials ( $B_m$ ) with the share of individual material ( $S_k$ ) obtained from the sample to arrive at the budget amount that will be spent on individual material ( $B_m M_k$ ). That is,

$$B_m M_k = S_k * B_m$$

We compute output generated per employment of each industry (average value of output generated by an employed person) and then arrive at the employment generated due to the additional demand of the input materials used for JJM schemes by multiplying it by  $B_m M_k$ .

Total indirect labour employment estimated through this method is only partial as it captures only the first stage of indirect employment. The other inputs used in producing materials in the first stage and labour required for producing those materials are not included in this estimate. One can estimate whether there is any effect of scale on labour employment, and if exists, estimates would need to be adjusted accordingly.



We assume that in the case of SVS, employment for tasks such as plumbing, electrical works, etc., will be on an on-demand basis, and for a group of SVS, the requirement will be approximately the same as in the case of an MVS of similar size.

Apart from the aforementioned analytical tools, we also incorporate a linear regression model based on the data from representative states to check for potential associations between scheme size/characteristics and employment generation.

### 3.3 Data and Variables

The IO table for any economy is derived from the observed outputs and the flow of outputs between industries by tracking the monetary flow between a pair of industries. IO tables are useful in understanding the value of input required from different sectors in generating the planned output. We make use of IO table published by Asian Development Bank (Asian Development Bank, 2023) to derive Leontief Inverse matrix. Since Rural Drinking Water Supply (RDWS) is not identified as one of the industries in the current IO table, we create a synthetic industry to study the impact of JJM investments. The output created under piped drinking water is already a part of different identified industries in IO tables, and we construct the industry ‘RDWS’ as an aggregate of already identified industries. For creation of the synthetic industries, we use the data from 11 tenders across 4 states - Karnataka, Odisha, Himachal Pradesh, and Kerala. The contracts belong to different stages of the scheme and range from tender values of INR<sup>1</sup> 0.4 million to 5 million. These contracts were obtained from the e-procurement portal (public website) of each of these individual states. Each line item in the tenders was studied and classified under an identified industry. The combined sum of costs of all the contracts is used to calculate the percentage contribution of existing identified industries to the synthetic industry. The breakdown of the share of the synthetic industries is summarised in **Table 1**.

**Table 1.** Contribution to Synthetic Industry ‘RDWS’

Industry category	Share of Synthetic Industry
Construction	54.14%
Machinery	28.73%
Electrical and optical equipment	7.77%
Basic metals and fabricated metals	6.54%
Rubber and plastics	2.61%
Chemicals and chemical products	0.21%

**Source:** Authors’ calculations

**Note:** Wood and products of wood and cork also had a negligible share of 0.000024%

The demand vector is generated by multiplying total likely investment in JJM with the share of the component industries (Appendix 1).

<sup>1</sup> INR is Indian rupee (currency). 1 USD is approximately equal to 82 INR.

The employment output ratios have been derived for the 7 major industries laid out in the national income accounting statistics. Since the industry-wise allocation of GDP was not available, we used the percentage allocation of GVA for the year 2022-23 and applied it to the GDP data. We believe that this is the closest estimate possible since the GDP of a country is net taxes added to GVA. The total worker population for the country stood at 508,265,520 at the end of 2022. This was derived by multiplying the worker population ratio (WPR) for the year 2021-22 with the total population (>age 15), as estimated by the World Bank for 2022. The WPR is calculated based on the Periodic Labour Force (PLF) Survey carried out by National Sample Survey Organisation every year.

The worker population is further allocated to the eight major industries as per the allocation of GDP, following which the GDP per worker is computed (see **Appendix 2**). We then mapped these eight employment output ratios to 35 industries in the IO table based on their correspondence, as indicated in **Appendix 3**.

For estimating the direct employment generation under JJM schemes, we consider total employment generated and total number of households covered at the scheme level. By utilising these two variables, the employment-to-household ratio normalised to 100 households is generated. A detailed list of variables with definitions and measurements is presented in **Appendix 4**.

### 3.3.1. Sampling and summary statistics

We utilised secondary as well as primary data in this study. For primary data collection, we selected one highest score (best performing) district in each region in all major states, as given in Jal Jeevan Sarvekshan report of December 2022. We listed all the completed schemes in the selected district and requested the JJM mission directors of the states to provide scheme level information. A well-defined data format with a list of sample districts and a list of completed schemes (n = 854) was shared with the respective states. Details of sample districts and number of schemes are given in **Appendix 5**. The data format includes questions related to the scheme characteristics and employment type, such as nature of the scheme (new/retrofitting), category of the scheme (SVS/MVS), phase of its implementation (construction/O&M), number of villages the scheme covers, number of population and households covered, estimated cost of the scheme, total water supply capacity of the scheme, service level capacity of the scheme (lpcd), and a set of questions related to employment for various positions (refer to **Appendix 4**). We also reached out to eight contractors from Tamil Nadu and four contractors from Karnataka and interviewed them using the same sets of questions and data format to understand certain benchmarks for the scheme level data. Since the program is currently under implementation, the total number of completed schemes was dynamic in nature. Due to this, there was more scheme data (1067) that we received than originally planned. These data were from Andhra Pradesh, Assam, Goa, Gujarat, Karnataka, Kerala, Punjab, Uttar Pradesh, Uttarakhand, Tamil Nadu, Maharashtra, and Jharkhand. However, after screening the data, we dropped the schemes of Goa and Assam from our analysis as the data from these states were outliers.

**Tables 2 and 3** show the summary statistics of scheme level data and their characteristics. A total of 1067 schemes' data was collected among which 81 schemes belonging to Assam and Goa, and 69 schemes from other states, were dropped after screening for outliers and population coverage of at least 20 households and 100 people. As a final consideration, we included 917 schemes, out of which 58.01% are SVSs, 41.98% are MVSs, and 72.08% are from construction phase and 27.91% are from the O&M phase. Further, among the schemes from construction phases, 76.18% were of retrofitting and 23.81% were new schemes.

The scheme coverage statistics show that, on average, the total manpower employed under an MVS is 26 and SVS is around four, total villages covered for MVS is nine and for SVS is one, with average population of 15874 and 1093 people and 2677 and 278 households respectively. The average water supply capacity per MVS and SVS is 1.85 and 0.49 mld (million litres per day) with an average per capita cost of INR 8445 and INR 7549, respectively. The low per capita cost of some schemes mostly belonged to retrofitted schemes (**Appendix 6**). There are variations in costs across states. In states such as Uttarakhand, Jharkhand, and Uttar Pradesh, the costs are high likely due to the nature of geographical and demographic differences and new constructions (**Appendix 7**).

**Table 2.** Summary Statistics of Sampled Schemes under JJM

Parameter (n = 917)	MVS (n = 385)			SVS (n = 532)		
	Mean (SD)	Min	Max	Mean (SD)	Min	Max
Total manpower	25.97 (81.57)	0.1	1155	3.70 (6.25)	0.08	83.5
Number of villages	9.32 (20.82)	1	212	1.01 (0.18)	1	5
Population coverage	15874.46 (61247.9)	112	894119	1093.68 (1668.68)	106	27807
Household coverage	2676.94 (8524.73)	30	99486	278.49 (492.60)	20	6160
Water supply capacity (MLD)	1.85 (3.76)	0.01	34.82	0.49 (1.33)	0.004	9.2
Estimated cost per capita (INR)	8445.68 (10542.92)	67.48	81801.7	7549.21 (8956.36)	19.44	58284.88

MLD: Million Litre Per Day

**Note:** 56 MVSs from Punjab, Kerala, Uttarakhand and Gujarat were reported covering a single village.

**Table 3.** Characteristics of Sampled Schemes under JJM

Scheme characteristics	% of schemes (N = 917)
<b>Types of schemes</b>	
Multi Village Schemes (MVS)	41.98
Single Village Schemes (SVS)	58.01
<b>Nature of schemes</b>	
Retrofitting	76.18
New	23.81
<b>Phases of implementation</b>	
Construction	72.08
Operation & Maintenance (O&M)	27.91

**Note:** Proportions for nature of schemes are calculated from a small sample scheme (n = 550) due to unavailability of data

### 3.3.2 Clustering of states

In order to use appropriate ratio for the states from where we did not receive scheme level data, we employed clustering method to group the states. The idea is that within a cluster, if any state lacks scheme level data, then the average estimates from the cluster (average of states with scheme level data) can be utilised. As a first step towards estimating the direct employment potential, we group the states into three clusters using certain state level parameters such as population density, river length per 1000 population, water body area per 1000 population, groundwater availability per 1000 population, and worker population ratio of casual labour per 1000 population. These variables are expected to have an impact on the employment generated in any drinking water supply system.

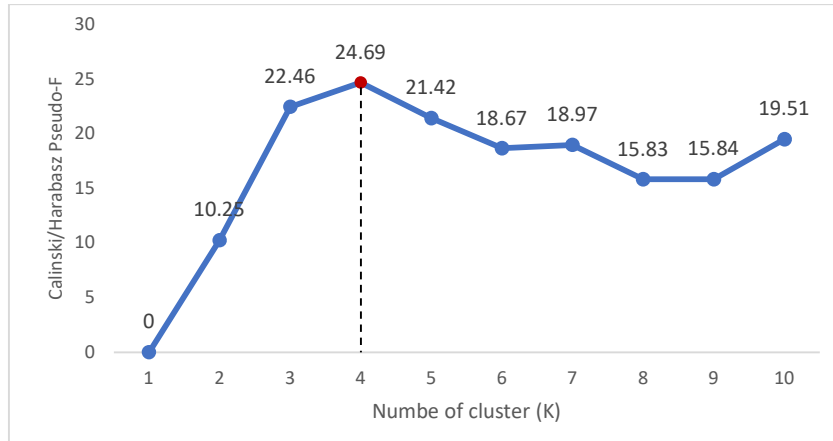
To generate the clusters based on the above parameters, we use ‘K-means’ clustering method. While generating the clusters, choosing the optimal number of clusters of (k) is essential which can be decided based on the prior knowledge of the data; however, often we lack prior information when we have multiple parameters to decide the ‘k’. In this case, the potential grouping is either decided using a general rule of thumb, i.e.,  $k = \sqrt{n}/2$ , where  $n$  is the number of observations (states in our case), or by using statistical measures such as: elbow method, silhouette coefficient, gap statistics, and dendrograms in hierarchical clustering. In our study, we employed Calinski-Harabsaz (CH) Pseudo-F statistics to plot the elbow chart. The CH Pseudo-F assesses the sum of squared distance within the cluster and compares it to the unclustered data, taking into account the number of clusters (Halpin, 2016). The CH index for each cluster solution is calculated by regressing each variable on the cluster solution and cumulating the model sum of squares (MSS) and residual sum of squares (RSS) to generate the pseudo-F statistic as follows:

$$p^F = \frac{\sum MSS/(g - 1)}{\sum RSS/(N - g)}$$

Here,  $N$  is the number of cases and  $g$  is the number of groups.

The values of CH pseudo-F are then plotted against the number of clusters ( $k$ ) to identify the kink/elbow point on the curve which denotes the optimal number of clusters ( $k$ ), which is 04 in our case (**Figure 2**).

**Figure 2.** Elbow Plot for Optimal Number of Clusters ( $k$ ).



**Note:** Calinski-Harabasz (CH) Pseudo-F measures within and between cluster sum of square taking into account different number of clusters

Utilising the above formula, we created three clusters of the Indian states which include: Uttar Pradesh, Kerala, West Bengal, Tamil Nadu, and Bihar as the first cluster; Punjab, Gujarat, Maharashtra, Karnataka, Andhra Pradesh, Rajasthan, Chhattisgarh, Madhya Pradesh, Haryana, Tripura, Odisha, and Jharkhand as the second cluster; and Uttarakhand, Goa, Assam, Himachal Pradesh, Jammu and Kashmir, Mizoram, Nagaland, Meghalaya, Manipur, and Arunachal Pradesh as the third cluster. It may be noted that the K-means method created Arunachal Pradesh as a separate cluster because of its low population density; however, considering similarities in characteristics of north-eastern states, we included Arunachal Pradesh in the third cluster along with other major north-eastern states. Furthermore, due to unavailability of data on few parameters, we did not include Union Territories (UTs) in our cluster analysis; however, we created a separate group for Union territories for which employment is estimated using national average ratio.

## 4. Results

### 4.1. Employment generation under construction phase of JJM schemes

The IO model estimates the direct and indirect employment potential across both MVS and SVS schemes. We use equation 3 to estimate the impact of JJM investments on the final employment generation potential. The total estimated investment under JJM was obtained by multiplying the sample average cost of household connection and the total number of rural households to be covered. The estimated employment generated at the construction phase

obtained from IO model is 28,248,478 person-year for the total estimated investment of INR 7.80 trillion under JJM (see **Appendix 3**).

The construction industry has the highest employment potential at 13,942,573 person-year followed by the machinery and basic metals industry. This is due to the nature of the water treatment plants and distribution networks which require heavy investments in constructing large tanks, large amounts of iron and steel pipes, etc. The construction industry has 49% contribution to employment generated but only a 35% contribution to the increased output, since the employment intensity of the industry is higher than overall average.

Whenever investments in large infrastructure projects are made, there is a multiplier effect on the economy. In the construction stage, the employment used while constructing the infrastructure is considered a direct employment under JJM. The employment generated to produce the materials used in the construction is the first stage of indirect employment, while the employment generated in producing raw materials for the first stage is the second stage of indirect employment, and so on. Using the IO model, we get the aggregate employment potential across multiple stages. To break this down into the direct employment potential and the first stage indirect employment, we use the ratio method.

#### **4.1.1. Direct employment potentials in the construction phase of JJM**

The direct employment generated under the construction of schemes at state and national level are provided in **Table 4**. All the Indian states were clustered into three groups based on certain parameters. Subsequently, the direct employment potential is extrapolated using the cluster/national average of employment-household ratios of the reference states in respective clusters. Overall, with the aim of providing potable piped water supply to each household in rural India, JJM has a potential to generate 5,993,154 person-year of direct employment in the construction stage of the water supply schemes (**Table 4**). The highest ratio of employment generated in the construction phase was in Maharashtra (6.31 per 100 HH), followed by Tamil Nadu (4.40 per 100 HH). Whereas, the ratios of employment generated for Andhra Pradesh (0.4 per 100 HH) and Gujarat (0.6 per 100 HH) are the lowest. This variation is mainly due to the differences in the type and nature of the schemes. For instance, majority of schemes from Tamil Nadu are construction of MVS, whereas, in Andhra Pradesh majority of schemes are construction of SVSs. In Gujarat, although majority of schemes are MVS, they are of retrofitting in nature.

#### **4.1.2. Indirect employment potential in the construction phase of JJM**

JJM has resulted in additional demand for the outputs in multiple industries like cement, iron pipes, sand, pumps, valves, etc. The employment generated during this first stage of indirect employment due to the additional demand of these materials has a substantial impact on the indirect employment numbers generated by JJM.

To calculate the indirect employment generated by JJM in this first stage, we have attempted to estimate the breakup between spending on materials and labour. This has been done by interviewing five contractors in Karnataka as well as reviewing 11 tender documents from 4 different states (Kerala, Karnataka, Odisha, and Himachal Pradesh). The average proportion of cost of materials across all the sources is 72%, which is indicative of the total tender budget used on physical materials, the breakdown of which is summarized in **Appendix 8**. Considering that the output from these industries is generated at average productivity of employed person in India (see **Appendix 3**), the indirect employment generated in the first stage stands at 7,734,620 person-year during the construction stage of the mission. The employment generated in specific industries is summarized in **Table 5**. The remaining 14,520,704 person-year employment, out of the total indirect employment of 22,255,324 person-year, is generated in the production of inputs used in manufacturing of materials required in the first stage.

**Table 4.** Estimated Direct Employment per 100 Households in the Construction Phase of Implementation in Different States

Clusters (Representative States)	States	No. of Rural Households	Employment in construction phase (per 100 households)	Total direct employment-construction phase
C1 (Tamil Nadu, Uttar Pradesh, Kerala)	Tamil Nadu	12,50806	4.40	552235
	Uttar Pradesh	26619580	4.01	1067445
	Kerala	7068719	1.77	125116
	West Bengal	18393602	3.42	629061
	Bihar	16629997		568746
C2 (Punjab, Gujarat, Maharashtra, Karnataka, Andhra Pradesh, Jharkhand)	Punjab	3425723	1.97	67487
	Gujarat	9118449	0.60	54711
	Maharashtra	14673332	6.31	925887
	Karnataka	10117551	2.61	264068
	Andhra Pradesh	9517861	0.40	38071
	Jharkhand	6120293	4.13	252768
	Telangana	5398219	2.39	129017
	Rajasthan	10530458		251678
	Chhattisgarh	5009375		119724
	Madhya Pradesh	11979642		286313
	Haryana	3041314		72687
	Tripura	741945		17732
Odisha	8863154	211829		
C3 (Uttarakhand)	Uttarakhand	1494265		2.52
Assam	6802443	2.52	171422	
Goa	263013		6628	
Himachal Pradesh	1708705		43059	
Jammu and Kashmir	1909457		47078	
Mizoram	133329		3360	
Nagaland	366001		9223	
Meghalaya	635032		16003	
Manipur	451566		11379	
Arunachal Pradesh	230275		5803	
Union Territories	Andaman and Nicobar Islands	62037	2.53	1569

	<b>Dadra and Nagar Haveli and Daman &amp; Diu</b>	85156		2154
	<b>Chandigarh</b>	N/A		N/A
	<b>Delhi</b>	N/A		N/A
	<b>Lakshadweep</b>	13,370		338
	<b>Puducherry</b>	114969		2908
<b>Total</b>				<b>5,993,154</b>

**Note:** i) Total direct employment is the product of 'Total Employment per household' and 'No. of Rural Households'; ii) Total direct employment for the above states are estimated using the average employment-household ratio of the reference states in the respective clusters; iii) Clustering of states was done taking into account population density, river length, water body area, ground water availability, and worker population ratio of casual labour; iv) Jammu and Kashmir is considered as a state which includes rural household of UT Ladakh; v) Estimates for UT Chandigarh and Delhi could not be presented due to unavailability of data.

#### 4.2. Employment generation under the O&M phase of JJM

This section presents the estimates of employment generation in the O&M phase of the schemes as shown in **Table 6**. As of 2019, there were 32,362,838 rural households with FHTC; further, a total of 162,217,522 households were planned to be covered under JJM. At the national level, JJM is potentially generating 1,325,919 person-year of employment in the O&M phases; out of which 1,118,749 person-year of employment can be ascribed to the JJM period (post 2019). The highest employment in the O&M phase was recorded in Maharashtra (0.89 per 100 HH), while the lowest was in Gujarat (0.36 per 100 HH).

**Table 5.** Employment Generated in Industries Supplying Raw Materials to JJM

<b>Product manufactured</b>	<b>Additional employment generated</b>
Cement	1,354,066
Steel/GI Pipes	621,246
Pumps/ Sluice Valves	1,105,943
HDPE Pipes	1,352,796
Diesel	73,035
Ductile/ Cast iron pipes	2,121,591
Valves	1,105,943
<b>TOTAL</b>	<b>7,734,620</b>

#### 4.3. Skilled and unskilled employment generation under JJM

To estimate the total manpower of a scheme, we aggregated various positions such as Team Leader, Plant In-charge, Supervisor, Scada In-charge, Scada Operator, Electrician, Valve Man, Pump Operator, Chemist, Lab Technician, Plumber, Helper/Watchman, and Labourer (refer to **Appendix 4**). To estimate different types of employment, we created two categories: i) Skilled labour employment and ii) Unskilled labour employment, estimated as a part of direct employment using the ratio method. The unskilled labour employment includes helpers/watchmen and labourers, while the skilled labour employment takes into account the remaining positions. In some cases, data did not reveal the type of employment. We included them under unskilled employment.



Our result suggests that JJM has the potential to generate 2,427,553 person-year of skilled labour employment (43.72%) and the remaining 3,372,371 person-year of unskilled labour employment at the national level, in its construction phase. Meanwhile, in the O&M phase, JJM has the capacity to generate a total number of 729,156 person-year of skilled (65%) and 389,593 person-year of unskilled labour employment annually. Estimates of skilled and unskilled labour employment at each state level are presented in **Appendices 9** and **10**.

**Table 6.** Estimated Direct Employment per 100 Households in O&M Phase of Implementation in Different States

Clusters (Ref State)	States	No. of rural households	No. of rural household to be covered in JJM period (2019-2024)	Employment in O&M phase (per 100 households)	Total direct employment - O&M phase	Total Direct employment post-JJM period-O&M phase
<b>C1</b> (Tamil Nadu)	<b>Tamil Nadu</b>	1,25,50,806	1,03,76,744	0.65	81580	67449
	<b>Uttar Pradesh</b>	2,66,19,580	2,61,10,597	0.65	173027	169719
	<b>Kerala</b>	70,68,719	54,15,333		45947	35200
	<b>West Bengal</b>	18393602	1,82,11,856		119558	118377
	<b>Bihar</b>	16629997	1,63,13,988		108095	106041
<b>C2</b> (Punjab, Gujarat, Maharashtra, Karnataka, Andhra Pradesh)	<b>Punjab</b>	34,25,723	17,47,165	0.79	27063	13803
	<b>Gujarat</b>	91,18,449	26,02,191	0.36	32826	9368
	<b>Maharashtra</b>	1,46,73,332	98,29,500	0.89	130593	87483
	<b>Karnataka</b>	1,01,17,551	76,65,436	0.64	64752	49059
	<b>Andhra Pradesh</b>	95,17,861	64,80,530	0.56	53300	36291
	<b>Jharkhand</b>	61,20,293	57,75,128	0.74	45290	42736
	<b>Telangana</b>	53,98,219	38,29,918		39947	28341
	<b>Rajasthan</b>	10530458	96,27,674		77925	71245
	<b>Chhattisgarh</b>	5009375	46,90,159		37069	34707
	<b>Madhya Pradesh</b>	11979642	1,06,13,577		88649	78540
	<b>Haryana</b>	3041314	12,74,951		22506	9435
	<b>Tripura</b>	741945	7,18,136		5490	5314
	<b>Odisha</b>	8863154	85,55,884		65587	63314
<b>C3</b> (Uttarakhand)	<b>Uttarakhand</b>	14,94,265	13,63,953	0.75	11207	10230
	<b>Assam</b>	68,02,443	66,91,132		51018	50183
	<b>Goa</b>	2,63,013	63,919		1973	479
	<b>Himachal Pradesh</b>	1708705	9,46,002		12815	7095
	<b>Jammu and Kashmir</b>	1868193	1332577		14011	9994
	<b>Mizoram</b>	133329	1,23,859		1000	929
	<b>Nagaland</b>	366001	3,55,413		2745	2666
	<b>Meghalaya</b>	635032	6,47,016		4763	4853
	<b>Manipur</b>	451566	4,25,646		3387	3192
	<b>Arunachal Pradesh</b>	230275	2,07,479		1727	1556
Union Territories	<b>Andaman and Nicobar Islands</b>	62,037	33,490	0.75	465	251

	<b>Dadra and Nagar Haveli and Daman &amp; Diu</b>	85,156	85,156		639	639
	<b>Chandigarh</b>	N/A	N/A		N/A	N/A
	<b>Delhi</b>	N/A	N/A		N/A	N/A
	<b>Lakshadweep</b>	13,370	13,370		100	100
	<b>Puducherry</b>	1,14,969	21,463		862	161
	<b>Total</b>				<b>1,325,919</b>	<b>1,118,749</b>

**Note:** i) Total direct employment is the product of 'Total Employment per household' and 'No. of rural Households'; ii) Total direct employment for the above states are estimated using the average employment-household ratio of the reference states in the respective clusters; iii) Clustering of states was done taking into account population density, river length, water body area, ground water availability and worker population ratio of casual labour; iv) Jammu and Kashmir is considered as a state which includes rural household of Ladakh UT; v) Estimates for UT Chandigarh and Delhi could not be presented due to unavailability of data.

### ***Impact on GDP***

Equation 2 also helps in estimating the impact of JJM investment on GDP. The additional GDP generated by the total planned investment by JJM turns out to be INR 1.74 for every rupee of investment. With this ratio, the additional GDP generated can be computed annually by utilising the data on the investment made in that year.

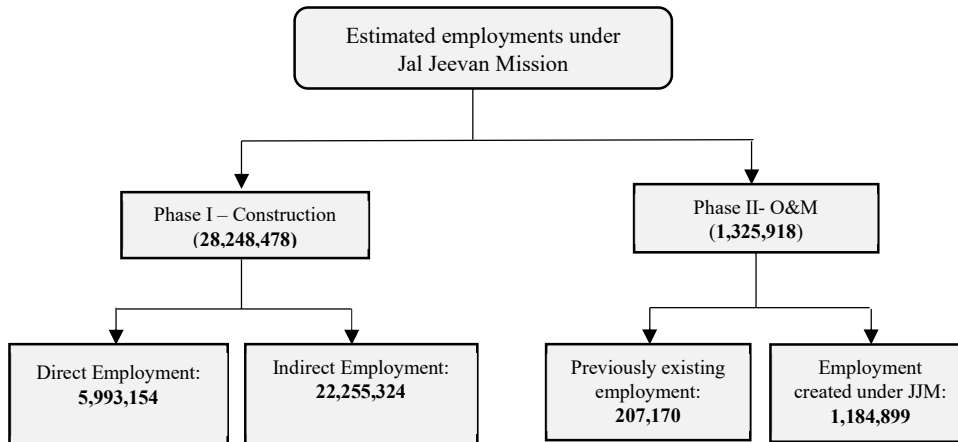
### **5. Summary and Conclusion**

To summarize, we started with IO model to estimate the overall employment generation potential under JJM in its construction phase, which was estimated to be 28,248,478 persons for the total investment of JJM. Since the construction phase has multiple levels of employment generation such as construction of infrastructure (direct employment) and production of raw materials required for the construction in the first stage and subsequent stages (indirect employment), it was important to draw a distinction between them. To differentiate between the two levels of employment, we used scheme level employment-household ratio normalised per 100 households for the sample states and cluster average ratio for the other states. The estimated direct employment likely to be generated in the construction phase is 5,993,154 person-year. Subsequently, using a deductive approach, we show that out of the remaining 22,255,324 person-year of employment, 7,734,620 person-year is associated with the manufacturing of direct materials utilised in the construction of JJM schemes. The remaining 14,520,704 person-year employment is generated in the subsequent stages.

Unlike the construction phase, in which employment is temporary or created for a stipulated period, the O&M phase generates employment which is perpetual in nature. During the O&M stage, the total potential employment generation is estimated to be 1,325,918 person-year. However, this figure cannot be attributed to JJM completely because of previously existing drinking water supply schemes and manpower affiliated to them. To address this issue, we segregate the FHTC coverage into 'pre-JJM period' (till 2019) and 'JJM period' (2019 onwards). As of August 2019, 16.63% of rural households were provided with FHTC and 162,217,522 FHTCs, i.e., 83.37% of rural households are targeted to be covered by JJM. This distinction has led to an estimation of 1,184,899 person-year of employment in the O&M phase under the JJM period. A detailed outline of employment potentials at different levels of

implementation of JJM is presented in **Figure 3**. Further, our findings from the regression analysis show a significant size effect, i.e., with an increase in the size of population under a scheme, employment generation per 100 households reduces. Besides, the findings also show that the employment per 100 households in the construction phase is significantly higher than employment in the O&M phase (**Appendix 11**).

**Figure 3.** Average Annual Employment Generation Potential in Different Stages of Implementation of JJM



**Source:** Authors' estimation

**Note:** The indirect employment of 22,255,324 represents the overall indirect employment, out of which 7,734,620 is the 1<sup>st</sup> stage employment and the remainder (14,520,704) can be considered as employment in subsequent stages.

This study is an attempt to estimate the total potential employment likely to be generated due to the implementation of Jal Jeevan Mission. The employment is generated during two stages of drinking water supply schemes: construction and operation & maintenance (O&M). We estimate the potential employment generated during these two stages separately. For the construction stage, we use input-output analysis method which takes care of both direct and indirect employment generated in related industries. Further, we estimate the direct employment and part of indirect employment through the ratio method. We estimate only the potential direct employment generated during the O&M stage, as indirect employment generated is likely to be small. Assuming the sample we have used is representative and free from bias, these estimates help us understand the extent of employment likely to be generated due to JJM and indicates that the impact of JJM is likely to be substantial once it is properly completed and made operational.

### 5.1. Limitations of the study

- a) The mission is still in its implementation phase, and the total number of schemes at any point of time was dynamic, hence, it was difficult for us to draw a sample of schemes with minimum frame error. Although we collected scheme (completed) level data for a sample of districts, due to various factors and unavailability of data we do not claim our

sample (selected schemes) to be an accurate representation of the population (total schemes under JJM). Moreover, this is one of the impeding factors which constrained us from estimating employment separately for different scheme types (MVS/SVS) and nature (new/retrofitting) of the schemes.

- b) Our study does not capture the induced employment effect in the indirect employment creation due to unavailability of data. Further, due to data constraint, indirect employment estimation was considered only for the construction phases. However, this is unlikely to be a large number in the O&M phase.
- c) Although we estimated employment for different categories such as skilled and unskilled employment, the availability of data did not permit us to assess the quality of work and identify the beneficiaries of the employment creation.
- d) Regression results show that there is size effect. The employment potential for 100 households decreases with the increase in the size (population) of the scheme. However, we could not make use of this as the data on the size of all schemes that are likely to be taken up is not available.
- e) There are some limitations of the IO model approach pointed out in the literature, for instance the IO analysis assumes that the monetary value of demand for the output of any industry is determined by considerations that are unrelated to the amount being produced in the sector (Blair & Miller, 2022). This assumption does not mirror the reality in any economy where the money value of the output would be related to the demand-supply situation in the sector and is a shortcoming of this analysis. Another assumption in IO analysis is fixed technical coefficients and fixed proportions which implies technology remains constant even as output grows (Garrett-Peltier, 2017). Fixed technical coefficients imply that the amount of input required of sector  $i$  per unit of output in sector  $j$  remains constant. The possibility of increasing or decreasing returns to scale are not accommodated in the model. Fixed proportions imply that the proportion of inputs from different sectors to produce the output in a sector remains constant even as a large increase in demand is introduced (Blair & Miller, 2022). Another concern expressed is different sectors have a different employment intensity and will vary over time. The assumption of a fixed employment intensity for the economy will underestimate the employment generation since the employment elasticity of industry and service sectors is higher than the economy average in both South Asian and lower middle income economies, groups of which India is a part in the IMF study (Furceri, Crivelli, & Toujas-Bernate, 2012).

### **Acknowledgement:**

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## Appendices

### Appendix 1: Demand Vector Generated for the JJM Investment

Industry	Demand Vector (in Rs)
Agriculture, hunting, forestry, and fishing	-
Mining and quarrying	-
Food, beverages, and tobacco	-
Textiles and textile products	-
Leather, leather products, and footwear	-
Wood and products of wood and cork	191,163,729
Pulp, paper, paper products, printing, and publishing	-
Coke, refined petroleum, and nuclear fuel	-
Chemicals and chemical products	16,310,794,297
Rubber and plastics	203,878,291,741
Other non-metallic minerals	-
Basic metals and fabricated metals	509,905,664,600
Machinery, nec	2,240,675,374,265
Electrical and optical equipment	606,346,584,814
Transport equipment	-
Manufacturing, nec; recycling	-
Electricity, gas, and water supply	-
Construction	4,222,692,126,555
Sale, maintenance, and repair of motor vehicles and motorcycles; retail sale of fuel	-
Wholesale trade and commission trade, except for motor vehicles and motorcycles	-
Retail trade, except for motor vehicles and motorcycles; repair of household goods	-
Hotels and restaurants	-
Inland transport	-
Water transport	-
Air transport	-
Other supporting and auxiliary transport activities; activities of travel agencies	-
Post and telecommunications	-
Financial intermediation	-
Real estate activities	-
Renting of M&Eq and other business activities	-
Public administration and defence; compulsory social security	-
Education	-
Health and social work	-
Other community, social, and personal services	-
Private households with employed persons	-
<b>Total</b>	<b>7,800,000,000,000</b>

Note: The total is obtained by the product of average cost of household connection and total households to be covered.

**Appendix 2: GDP Per Person Employed and Output Per Worker in Different Industries**

Particulars		Value				
Total GDP in the year 2022-23 (at current prices, Crore INR)		27,307,751				
Worker Population Ratio (PLFS 21-22)		52.90%				
Total population (15- 64 years of age) in 2022		960,804,385				
Worker population in 2022		508,265,520				
GDP per employed person in the year 2022-23		537,273				
Industry	GVA (INR in billion)	Contribution to GVA	GDP per sector (INR in billion)	WPR (per 100)	Worker population	Output per worker
Total	257,564.70	100%	273,077.51	100	508,265,520	537,273
Agriculture, forestry, and fishing	39,800.67	15%	42,197.82	48.9	248,492,141	169,815
Mining and quarrying	5,130.76	2%	5,439.78	0.54	2,744,085	1,982,366
Manufacturing	33,073.15	13%	35,065.11	12.6	64,028,650	547,647
Electricity, gas, water supply, and other utility services	5,866.79	2%	6,220.14	0.52	2,642,452	2,353,927
Construction	17,190.98	7%	18,226.37	10.6	53,865,372	338,369
Trade, repair, hotels, and restaurants	35,288.96	14%	37,414.37	10.96	55,694,762	671,775
Transport, storage, communication & services related to broadcasting	45,433.03	18%	48,169.41	4.83	32,979,836	1,460,571
Financial services		0%		1.66		
Real estate, ownership of dwelling, and professional services	31,709.66	12%	33,619.49	0	47,818,222	703,069
Public administration and defence		0%		9.41		
Other services (industry)	44,070.70	17%	46,725.02	0	-	537,273

**Data sources:** Economic Survey 2023-23 and EPW Research Foundation and the World Bank

**Appendix 3: Industry wise Potential Employment Generated**

<b>Industry</b>	<b>National Income Accounting Industry</b>	<b>Employment generated</b>
Agriculture, hunting, forestry, and fishing	Agriculture, forestry, and fishing	1,000,280
Mining and quarrying	Mining and quarrying	57,637
Food, beverages, and tobacco	Agriculture, forestry, and fishing	123,815
Textiles and textile products	Manufacturing	18,143
Leather, leather products, and footwear	Manufacturing	-
Wood and products of wood and cork	Agriculture, forestry, and fishing	285,743
Pulp, paper, paper products, printing, and publishing	Agriculture, forestry, and fishing	84,284
Coke, refined petroleum, and nuclear fuel	Mining and quarrying	110,106
Chemicals and chemical products	Industry	422,559
Rubber and plastics	Manufacturing	535,795
Other non-metallic minerals	Mining and quarrying	234,380
Basic metals and fabricated metals	Manufacturing	3,135,772
Machinery, nec	Manufacturing	4,487,314
Electrical and optical equipment	Industry	1,397,300
Transport equipment	Transport, storage, communication & services related to broadcasting	49,269
Manufacturing, nec; recycling	Manufacturing	2,523
Electricity, gas, and water supply	Electricity, gas, water supply, and other utility services	147,369
Construction	Construction	13,942,573
Sales, maintenance, and repair of motor vehicles and motorcycles; retail sale of fuel	Trade, repair, hotels, and restaurants	730
Wholesale trade and commission trade, except for motor vehicles and motorcycles	Trade, repair, hotels, and restaurants	305,147
Retail trade, except for motor vehicles and motorcycles; repair of household goods	Trade, repair, hotels, and restaurants	585,608
Hotels and restaurants	Trade, repair, hotels, and restaurants	34,059
Inland transport	Transport, storage, communication & services related to broadcasting	145,109
Water transport	Transport, storage, communication & services related to broadcasting	-
Air transport	Transport, storage, communication & services related to broadcasting	-
Other supporting and auxiliary transport activities; activities of travel agencies	Transport, storage, communication & services related to broadcasting	12,403
Post and telecommunications	Transport, storage, communication & services related to broadcasting	68,250
Financial intermediation	Financial services	282,246
Real estate activities	Real estate, ownership of dwelling, and professional services	7,222
Renting of M&Eq and other business activities	Real estate, ownership of dwelling, and professional services	714,929
Public administration and defence; compulsory social security	Public administration and defence	-
Education	Public administration and defence	11,727
Health and social work	Public administration and defence	7,149
Other community, social, and personal services	Public administration and defence	39,038
Private households with employed persons	Industry	-
<b>Total</b>		<b>28,248,478</b>



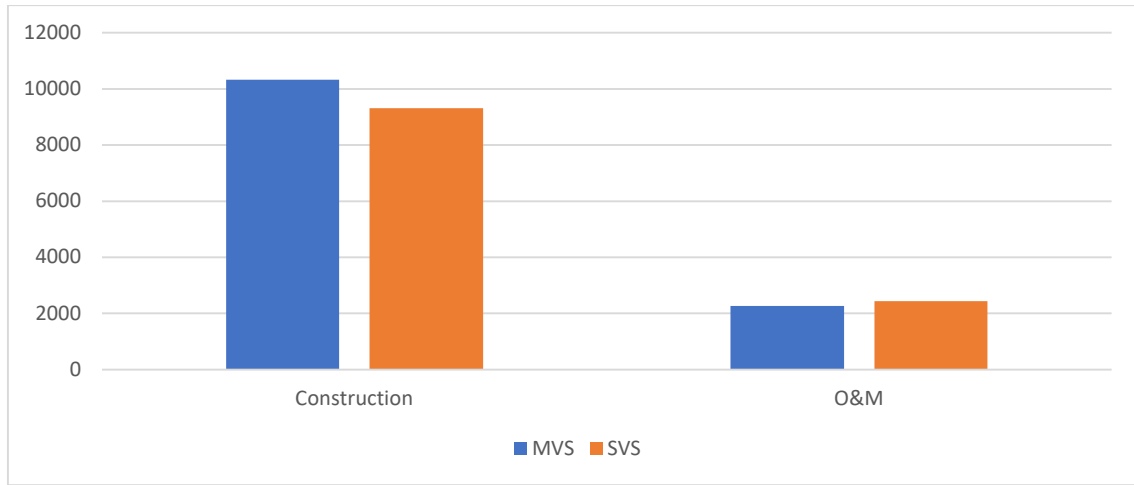
**Appendix 4.** List of Variables and Definition.

<b>Indicators</b>	<b>Variable</b>	<b>Eligibility/Definition/Measure</b>
Total employment	Tot_Emp	Total number of people employed in various positions for the O&M of MVS
Total employment per 100 households	Tot_Emp_100HH	Estimated employment at household level (Total employment/number of households * 100)
Team Leader	Team_lead	An Engineer OR Community Development Specialist (CDS)
Plant In-charge	Plant_in_charge	Civil/Environmental/Mechanical/Electrical Engineer with working experience in O&M activities, particularly of water supply schemes
Supervisor	Supervisor	Civil/Mechanical Engineer with demonstrated Project Management skills
Scada In-charge	Scada_in_charge	Electrical & Electronic Engineer with 5 years of working experience in the field of SCADA operation and monitoring
Scada Operator	Scada_op	Electrical & Electronic Engineer with 3 years of working experience in the field of SCADA operation and monitoring
Electrician/Mechanic	Elect_Mech	Experience in repairs and maintenance of electro-mechanical items of water supply components with a minimum 3-year experience in the field
Valve men/Fitters	ValveM_Fitter	He should regularly observe the pipelines/valves for any leakages and also maintain logbooks of village OHT.
Pump operators	Pump_op	Experience in repairs and maintenance of different types of pumps, should look after pumping machinery to keep record of the logbook, perform water-meter reading, etc., as directed
Helpers/Watchmen	Helper_WatchM	Should assist pump operators in repair works and look after the project's maintenance.
Chemist	Chemist	A Postgraduate/Graduate in Science with a minimum of 3 years of field experience
Lab technician	Lab_tech	Bachelor's Degree in Science with a minimum of 2 years of field experience
Plumber	Plumber	Installing and maintaining pipe and tap connections.
Others	Other	Manpower employed anonymously on requirement for which position is not defined.
<b>Demographic &amp; Economic indicators</b>		
Estimated Total Population	Est_pop	Ratio of <i>Total water supply capacity (mld)</i> and <i>Rate of water supply (lpcd)</i>
Estimated Total household	Est_HH	Estimated by dividing <i>Estimated Total Population</i> by 5 (5 is a hypothetical number representing 5 members from a household on average)
No. of Villages	Tot_village	Total number of villages covered under the work
Total Water supply capacity	Tot_Wsupply_cap	Litres of water supply capacity at Water Treatment Plant (WTP) outlet per day (measured in million litres per day)
Rate of water supply	Rate_Wsupply	Number of litres of water supplied per capita per day (measured in litres per capita per day)
Estimated cost of work	Est_cost	Estimated cost of O&M of a MVS

**Appendix 5: List of District and Sample Schemes Selected for Data Collection**

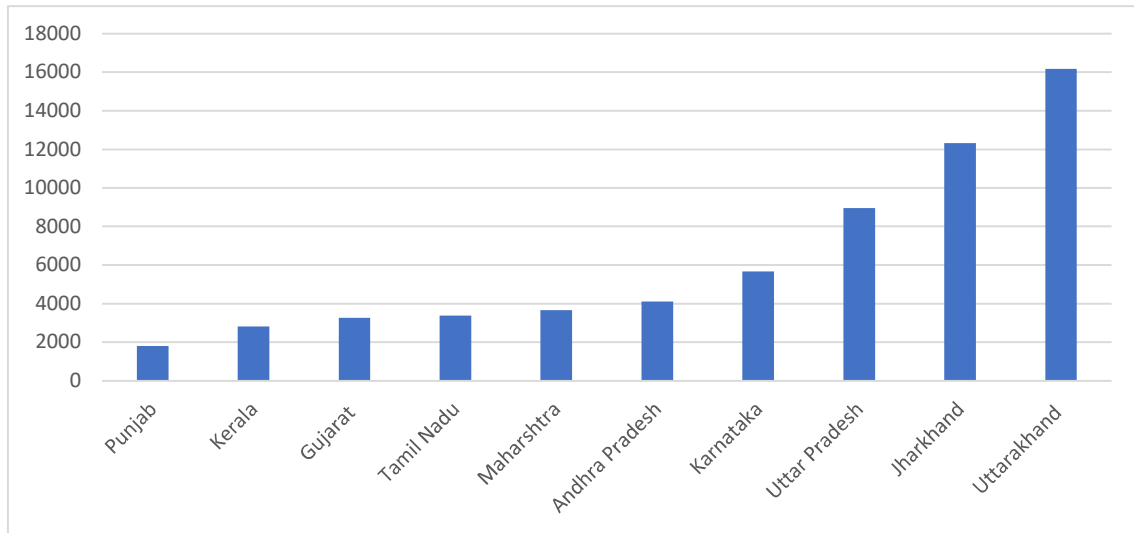
<b>State</b>	<b>District</b>	<b>Sample schemes selected (n=854)</b>	<b>Sample schemes collected (n=1067)</b>
Andhra Pradesh	YSR (08), Alluri Sitharama Raju (35), Guntur (21)	64	122
Assam	Golaghat (31), Udalguri (185), Salmara-Mankachar (02), Nagaon (03), Hailakandi (04)	225	16
Goa	North Goa (17), South Goa (25)	42	65
Gujarat	Kutch (07), Porbandar (01), Dang (03), Patan (02), Chhotaudepur (03)	16	12
Karnataka	Ramanagara (174), Belagavi (06), Yadgir (17)	197	72
Kerala	Kerala (16)	16	16
Punjab	Tarn Taran (27), Malerkotla (50), Kapurthala (30), Rupnagar (32)	139	308
Uttar Pradesh	Mainpuri (01), Fatehpur (03), Shahjahanpur (01), Lucknow (01), Shamli (05), Varanasi (01)	12	20
Uttarakhand	Garhwal (02), Champawat (04)	06	339
Tamil Nadu	Tirunelveli (05), Erode (10)	15	15
Maharashtra	Nagpur (25), Amaravati (03), Jalna (07), Jalgaon (44), Satara (34), Sindhudurg (08)	121	66
Jharkhand	Simdega (01)	01	16

**Appendix 6. Average Cost Per Capita by Scheme Characteristics**



Source: Authors' contribution from sample data

**Appendix 7. Average of Cost Per Capita by States**



Source: Authors' contribution from sample data

**Appendix 8. Breakdown of Budget Between Different Raw Material Industries (Share)**

Source		HDPE Pipes	Iron Pipes	Mild Steel Pipes	Cement	Reinforcement Steel	Sand/Aggregates	Valves	Diesel	Labour and other activity	Share of Material Cost
Contractor	Suprada Materials	7%	25%	6%	1%	2%	1%	2%	5%	Not mentioned	49%
Contractor	Amar Infra	14%	11%		2%	4%	3%	4%			38%
Contractor	Sudheer Naidu	39%	7%		1%	2%		2%			51%
Tender Document	Providing FHTCs to 3550 Households in SAVALAGI habitation of SAVALAGI village, Jamkhandi talauka through SVS to SAVALAGI village in Bagalkote district .	16%	4%	0%	34%	4%	9%	15%	0%	18%	82%
Tender Document	Providing FHTC's to 512 House holds in Hebballi Habitation of Hebballi Village in Badami Taluka of Bagalkot District (SVS)(512FHTC+270Retro=782 Nos)(Gen)	25%	31%	0%	16%	0%	7%	2%	0%	18%	82%
Tender Document	Providing FHTCs to 208 Households in Hosahalli habitation of Hosahalli village in Arkere G.P of Tumkur taluk in Tumkur district by Agumentation & Retrofitting through SVS	17%	29%	2%	14%	0%	21%	3%	0%	14%	86%
Tender Document	Supplying and laying distribution line and providing FHTC in Vanchikappara area- Pipe line work Contract	0%	72%	0%	13%	2%	3%	5%	0%	5%	95%
Tender Document	Retrofitting and source level augmentation of varous leftout habitations by providing FHTC under JJM 3rd phase under 4SV Sub-Division Swarghat Tehsil Sh. Naina Devi Ji District Bilaspur (SW: Energisation of Mini Tube well).(SH: Supply and Erectionof Submersible pumping machinery with allied accessories at village Behal)	0%	8%	1%	0%	0%	4%	52%	0%	34%	66%
Tender Document	Providing FHTC in various GP under JJM in Jal Shakti Section Sh. Naina Devi Ji under JSV Sub-Division Swarghat ( Nakrana) Tehsil Sh. Naina Devi Ji District Bilaspur (SH: Construction of sub storage tank of 30,000 liter capacity at village Panjpora and sector storage tank at village Kallari 15000 liter capacity).	0%	0%	2%	38%	27%	18%	13%	0%	3%	97%
<b>AVERAGE</b>		<b>13%</b>	<b>20%</b>	<b>2%</b>	<b>13%</b>	<b>4%</b>	<b>8%</b>	<b>11%</b>	<b>1%</b>	<b>15%</b>	<b>72%</b>
Budget spent on materials (in Cr)		72,682	1,13,987	8,738	72,750	24,639	45,652	59,419	3,924		
Employment generated		13,52,796	21,21,591	1,62,645	13,54,066	4,58,601	8,49,690	11,05,943	73,035		

**Appendix 9.** Estimated Direct Skilled Labour Employment per 100 Households in Construction Phase of JJM in Different States

Clusters (Representative States)	States	No. of rural Households	Skilled labour employment in construction phase (per 100 household)	Total direct skilled labour employment-construction phase
<b>C1</b> (Tamil Nadu, Uttar Pradesh, Kerala)	<b>Tamil Nadu</b>	1,250,806	<b>1.71</b>	214,618
	<b>Uttar Pradesh</b>	26,619,580	<b>2.87</b>	763,982
	<b>Kerala</b>	7,068,719	<b>0.30</b>	21,206
	<b>West Bengal</b>	18,393,602	<b>1.75</b>	321,888
	<b>Bihar</b>	16,629,997		291,025
<b>C2</b> (Punjab, Gujarat, Maharashtra, Karnataka, Andhra Pradesh, Jharkhand)	<b>Punjab</b>	3,425,723	<b>1.13</b>	38,711
	<b>Gujarat</b>	9,118,449	<b>0.10</b>	9,118
	<b>Maharashtra</b>	14,673,332	<b>0.96</b>	140,864
	<b>Karnataka</b>	10,117,551	<b>0.96</b>	97,128
	<b>Andhra Pradesh</b>	9,517,861	<b>0.12</b>	11,421
	<b>Jharkhand</b>	6,120,293	<b>1.66</b>	101,597
	<b>Telangana</b>	5,398,219	<b>0.94</b>	50,743
	<b>Rajasthan</b>	10,530,458		98,986
	<b>Chhattisgarh</b>	5,009,375		47,088
	<b>Madhya Pradesh</b>	11,979,642		112,609
	<b>Haryana</b>	3,041,314		28,588
	<b>Tripura</b>	741,945		6,974
	<b>Odisha</b>	8,863,154		83,314
<b>C3</b> (Uttarakhand)	<b>Uttarakhand</b>	1,494,265	<b>1.27</b>	18,977
	<b>Assam</b>	6,802,443	<b>1.27</b>	86,391
	<b>Goa</b>	263,013		3,340
	<b>Himachal Pradesh</b>	1,708,705		21,701
	<b>Jammu and Kashmir</b>	1,909,457		24,250
	<b>Mizoram</b>	133,329		1,693
	<b>Nagaland</b>	366,001		4,648
	<b>Meghalaya</b>	635,032		8,065
	<b>Manipur</b>	451,566		5735
<b>Arunachal Pradesh</b>	230,275	2,924		
Union Territories	<b>Andaman and Nicobar Islands</b>	62,037	<b>1.16</b>	720
	<b>Dadra and Nagar Haveli and Daman &amp; Diu</b>	85,156		988
	<b>Chandigarh</b>	N/A		
	<b>Delhi</b>	N/A		
	<b>Lakshadweep</b>	13,370		155
	<b>Puducherry</b>	114,969		1,334
<b>Total</b>				<b>2,620,783</b>

**Note:** i) Total direct employment is the product of 'Total Employment per household' and 'No. of rural Households'; ii) Total direct employment for the above states are estimated using the average employment-household ratio of the reference states in the respective clusters; iii) Clustering of states was done taking into account population density, river length, water body area, ground water availability and worker population ratio of casual labour; iv) Jammu and Kashmir is considered as a state which includes rural household of UT Ladakh; v) Estimates for UT Chandigarh and Delhi could not be presented due to unavailability of data.

**Appendix 10.** Estimated Direct Skilled Labour Employment per 100 Households in O&M Phase of JJM in Different States.

Clusters (Ref State)	States	No. of rural household to be covered in JJM period (2019-2024)	Skilled employment in O&M phase (per 100 household)	Total Direct skilled labour employment post-JJM period-O&M phase
C1 (Tamil Nadu)	Tamil Nadu	10,376,744	0.34	35,281
	Uttar Pradesh	26,110,597	0.34	88,776
	Kerala	54,15,333		18,412
	West Bengal	18,211,856		61,920
	Bihar	16,313,988		55,468
C2 (Punjab, Gujarat, Maharashtra, Karnataka, Andhra Pradesh)	Punjab	1,747,165	0.51	8,911
	Gujarat	2,602,191	0.34	8,847
	Maharashtra	9,829,500	0.76	74,704
	Karnataka	7,665,436	0.41	31,428
	Andhra Pradesh	6,480,530	0.56	36,291
	Jharkhand	5,775,128	0.539	31,128
	Telangana	3,829,918		20,643
	Rajasthan	9,627,674		51,893
	Chhattisgarh	4,690,159		25,280
	Madhya Pradesh	10,613,577		57,207
	Haryana	1,274,951		6,872
	Tripura	718,136		3,871
	Odisha	8,555,884		46,116
C3 (Uttarakhand)	Uttarakhand	1,363,953	0.537	7,324
	Assam	6,691,132		35,931
	Goa	63,919		343
	Himachal Pradesh	946,002		5,080
	Jammu and Kashmir	1,332,577		7,156
	Mizoram	123,859		665
	Nagaland	355,413		1,909
	Meghalaya	647,016		3,474
	Manipur	425,646		2,286
	Arunachal Pradesh	207,479		1,114
Union Territories	Andaman and Nicobar Islands	33,490	0.537	180
	Dadra and Nagar Haveli and Daman & Diu	85,156		457
	Chandigarh	N/A		
	Delhi	N/A		
	Lakshadweep	13,370		72
	Puducherry	21,463		115
<b>Total</b>				<b>729,156</b>

**Note:** i) Total direct employment is the product of 'Total Employment per household' and 'No. of rural Households'; ii) Total direct employment for the above states are estimated using the average employment-household ratio of the reference states in the respective clusters; iii) Clustering of states was done taking into account population density, river length, water body area, ground water availability and worker population ratio of casual labour; iv) Jammu and Kashmir is considered as a state which includes rural household of UT Ladakh; v) Estimates for UT Chandigarh and Delhi could not be presented due to unavailability of data.

**Appendix 11.** Scheme Level Factors Affecting Employment Generation: Results from Regression Analysis.

<b>DV (Emp_per_100HH)</b>	<b>Coefficients</b>
Scheme type: SVS (Ref: MVS)	0.067 (0.209)
Implementation phase: O&M (Ref: Construction)	-0.679*** (0.131)
Nature of scheme: New scheme (Ref: Retrofitting)	0.002 (0.282)
Total Population (ln)	-0.633*** (0.106)
Cost per capita (ln)	-0.074 (0.072)
<b>R<sup>2</sup></b>	<b>0.439</b>

**Note:** i) Results are adjusted for state level fixed effect ii) Robust standard error are presented in parenthesis. iii) \*\*\* represents significance level at 1%.