

MGNREGA: A WAGE EMPLOYMENT PROGRAMME IN INDIA – AN ANALYSIS

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Abstract : MGNREGA has been played a significant role for the poor people in India. This scheme was started in 2006 in the 200 poorest and most backward districts in 27 states with the aim to cover all the districts in the next five year. This scheme has proved very helpful to solve employment problems in India. MGNREGA is one of them which provide 100 days guaranteed employment to unskilled rural poor people.

Keywords : Poverty, Unemployment, Unskilled, Development, Drought, Social Security, Flood Control, Plantation, Irrigation.

1.0 Introduction

Government of India have started many programmes to tackle the problem of poverty and unemployment in rural India. These programmes have proved very helpful to solve such problems of Indian society. MGNREGA is one of them which provides 100 days guaranteed employment to unskilled rural poor people. Earlier schemes were not bounded that government would provide guaranteed employment but MGNREGA is binding in this regard that it will surely provide guaranteed employment within specific time mentioned in Act. So it is called a time bound scheme. People from all sections have gained employment under MGNREGA but bulk of Schedule Caste population has gained much more than others. MGNREGA gave the villagers a reason not to migrate to the cities for employment. It has raised the level of rural employment for poor people in their local areas and it has also provided 33 percent employment security to women.

Poverty and unemployment both are interrelated because poverty is regarded as the basis of unemployment. Rural and poor people are unable to fight against all these problems alone. Other major problems as population explosion, unemployment, lack of basic facilities in rural areas, increasing poverty, discontent and violence are on the rise and playing a worse game with the life of rural poor people. Although remedies are being given by Central and State Governments to solve all such problems but could not succeed.³In this present milieu eradication of poverty and providing employment has become the fundamental core for government of time.

With the beginning of planning in India, the problem of poverty has been mainly focused, to be tackled through a number of measures. Many revolutionary steps had been started for the entire rural India, like the Community Development Programme and National Extension Service Programme with the basic aim was to initiate a process of transformation of the social and economic facilities to the villagers. Hence government announced that it was responsible to serve the people and reach facilities as large a number of people as possible. But, these targets had not achieved properly due to some shortcomings in a process in removing illiteracy and tackling the problem of unemployment.⁴

All these programmes were launched with a view to provide direct employment. Pilot Intensive Rural Employment Project (1972) was started to provide employment to all those persons who were available for work and imparting skill to the workers to increase their employability. In order to bring tribal areas within the mainstream of economic development, the Tribal Area Development Programme (1972-73) was started in six selected tribal areas. Training for Rural Youth and Self-employment Programme (1979) was also started as a multi-approached strategy to combat the problem of rural unemployment and poverty. Rural Landless Employment Generation Programme (1983) was also started with the objective to pay 100 days employment to one member of the landless labour household in the rural areas.⁵

Over a period of time these schemes were underwent changes both in terms of their names as well as content. Basis on the experience of these programmes, the NREGA was enacted to in force the commitment towards the livelihood security in rural areas.

2.0 MGNREGA: An Overview

The MGNREGA is an act that has been introduced to improve the living standard of people in rural areas by providing them wage employment through work of at least 100 days. The MGNREGA act has been started with

the UPA government's basic aim to provide practical shape to the right to work.⁷ National Rural Employment Guarantee Act (NREGA) is not a new concept in nature, because before its inception as an Act, Maharashtra Government has already introduced the Employment Guarantee Scheme (EGS) in 1972-73.⁶

At the centre level, it is a step towards the formation of employment which helps to raise the income of rural poor. This programme is a unique type of employment guarantee programme which provide wage opportunities, food security to the poorest, create demand for other consumption goods in the rural economy. The unique feature of MGNREGA is that it has provided the legal right of employment of 100 days and has the ability to generate more employment directly and indirectly for the rural people.⁷

In September 2005, India's Parliament passed a significant legislation named the National Rural Employment Guarantee Act (NREGA). The Act was affected from 2nd February 2006 which was notified in 200 districts in its first phase and then it was extended to other 130 districts in the financial year 2007-08. More 113 districts were notified effected from April 1, 2007 and other 17 districts of Uttar Pradesh were notified with affect from May 15, 2007. The rest of the districts have been notified under the NREGA with effect from April 1, 2008.⁸ Since 2nd October 2009, NREGA is known as MGNREGA after the name of Mahatma Gandhi has been inclined in it.

This Act guarantees 100 days of employment in a financial year for rural household whose adult members are willing to do unskilled manual work. Every state has to formulate a State Rural Employment Guarantee Scheme (SREGS), which would satisfy the minimum features mentioned under the Act. According to the Act, rural households have also achieved a right to register with the local Gram Panchayats (GPs) and seek employment according to their ability. Work has to be provided within 15 days from the date of demand and state government will have to pay unemployment allowance in case of not providing work within mentioned time. The primary purpose of the Act is to provide wage employment by setting up a strong social safety net for the poor people by providing an employment source.⁹

3.0 Goals Of MGNREGA:-

Important goals of MGNREGA can be described as following:-

1. To improve the livelihood security in rural areas in every rural household by guaranteed 100 days of wage employment in a financial year.
2. Reduce out migration
3. Empower rural women and the poor
4. Maintain social equity within society.
5. To generate strong social safety web for the marginalized sections by providing regular employment source to them.
6. To provide growth process for sustainable development of an agricultural economy, through the process of providing employment on works in drought affected areas that address causes of chronic poverty such as drought, soil erosion.
7. Employment of rural poor through the processes of a right-based law.
8. To protect the environment also.

4.0 Some Other Important Provision Of MGNREGA

4.1 Employment and Wage Payment through MGNREGA: An adult member of a rural household, willing to do unskilled rural work can apply both for the registration in written or verbal to the local Gram Panchayat. After the verification, the Gram Panchayat will issue a job card on which they will paste the photograph of all adult members of the household who are willing to work under MGNREGA. For their security, this process will be free of cost. If a handicapped person applies for work, then he will be provided the work according to his ability and qualification. The job card should be issued within 15 days of application and the job card holder can submit a written application to the Gram Panchayat for work. The Gram Panchayat then will issue a dated receipt according to which the guarantee of employment within 15 days will be operated. If, it is not given, then daily unemployment allowance would be provided. It should not be less than one-fourth of the wage rate for the first thirty days.¹⁰

4.2 National Employment Guarantee Fund: For the proper implementation of the programme and for the fulfillment of the goals of this Act, the Central Government has established a fund which is to be known as National Employment Guarantee Fund. In case of the lack of funds, the government has to arrange the funds through the grants. The funds under this programme must be used according to the conditions and limitations prescribed by the Centre Government. Any amount that has been credited to the National Fund will charge from the Consolidated Fund of India. The amount standing to the credit of the National funds shall be expended

exclusively for the purpose of implementing the programme.

4.3 State Employment Guarantee Fund: The State Government has established a fund to be called as State Government Guarantee Fund for the purpose of the implementation of the scheme in states. The State Fund would be held on behalf of the State Government by such an authority as may be prescribed by the State Government.¹¹

4.4 Funding: The Central and the State Government will share the fund for MGNREGA on the basis of 90:10 ratios respectively. The Central Government will be spent on the wages to the unskilled manual workers and 75 per cent to the cost of material of wages of skilled and semi-skilled workers and also to some administrative expenses. The State Governments will manage 10 per cent of the price of material and wages of workers.¹²

4.5 Non-Payment of Unemployment Allowance in some Circumstances: If the Programme Officer is not in a position to distribute the unemployment allowance within specific time then he must be reported to the District Programme Coordinator. He also announced such reasons in a written notice that has to be displayed on the notice board. The notice board of the Gram Panchayat and such other public places may be necessary.¹³

4.6 Central Employment Guarantee Council: At the central level, there shall be constituted a Central Employment Guarantee Council to discharge the functions and perform the duties under this scheme. The Headquarter of the Central Council shall be at New Delhi.

4.7 Ministry of Rural Development (MORD): The Ministry of Rural Development is the nodal Ministry for the implementation of MGNREGA. It is responsible to give some kinds of support to the States and to the Central Council. It has to undertake regular review, monitoring and evaluation of processes and outcomes. It is responsible for maintaining and operating the data on critical aspects and assess the utilization of resources through a set of performance indicators.¹⁴ It will also maintain improvements that help in the process towards the achievement of the objectives of the MGNREGA Act and support the use of Information Technology (IT) to increase the efficiency and transparency .

4.8 State Employment Guarantee Council (SEGC): State Employment Guarantee Council (SEGC) shall be a regular monitoring agency which implements MGNREGA Act at a state level. Every state government shall establish a state council, to be known by the name as per the government rule. It should be consisted of a chairperson and other official members that are determined by the state government and 15 non-official members who are nominated by the state government from Panchayati Raj Institutions, organizations of workers and underprivileged groups.¹⁵

4.9 Role Of Panchayats In Implementing MGNREGA: MGNREGA is a Unique Act which recognizes the legitimate role of Panchayats in addressing their fundamental duty as expressed in 73rd Constitutional Amendment Act of providing 'Economic Development and Social Justice' in the area. The recognition of Panchayati Raj Institute as the Principle Agency of implementation under MGNREGA has opened up enormous opportunities for decentralized development respecting local solutions to local people.

- **Responsibilities of the Gram Panchayats (PRI's):** The Gram Panchayat shall be responsible for identification of the projects in the Gram Panchayat area. These projects are to be taken up under a scheme as per the recommendations of the Gram Sabha and the Ward Sabha to supervise such programmes. A Gram Panchayat may take up any project under scheme within the area of the Gram Panchayat sanctioned by the programme officer. Every Gram Panchayat, after considering the recommendations of the Gram Sabha and the Ward Sabha, prepare a development plan to maintain the work under this scheme.

- **Function of the Gram Panchayat**
 - i. Planning of works
 - ii. Receiving applications for registration
 - iii. Verifying registration applications
 - iv. Issuing job cards
 - v. Maintaining records
 - vi. Conveying the Gram Sabhas for social audit

4.10 District Panchayat: District panchayat will be responsible to approve the district plans and the labour budgets. They will monitor and supervise the employment guarantee scheme in the district.

4.11 Sanctioning of Works: All type of works will be required to obtain administrative sanction by December of the year. Once a demand for employment has received, works will be started and approved with technical and administrative sanctions.

5.0 Social Audit by Gram Sabha:

The Gram Sabha will have monitored the implementation of works under the scope of the Gram Panchayat. The Gram Sabha will focus upon regular social audits of all the approved projects taken by the Gram Panchayat. The Gram Panchayat shall engage all relevant papers including the muster rolls, bills, vouchers, measurement books, copies of endorse orders and other connected books of account. These papers of the Gram Sabha are protected for the purpose of conducting the social audit.

6.0 Responsibilities Of State Government In Implementing Scheme

The State Government shall make available to the District Programme Coordinator, the necessary staff and technical support that is necessary for the efficient realization of the scheme.

- **Grievance Redressal Mechanism:** The State Government shall decide suitable complaint machinery at the block level and the district level to solve complaints by any person in implementation of the scheme.
- **District Level Ombudsman :** District level ombudsman for effective complaint machinery will be executed by the state government on the proposal of the selection committee. He will be well-known person from civil society who have good experience in the field of public administration, social work or management. He will be described as an agency that may be independent from any pressure. He will be obtained complaints from workers on matters regarding their works and consider such complaints.
- **Transparency and Accountability :** The District Programme Coordinator and all implementing agencies in the district shall be responsible for the proper utilization and management of the funds placed at their disposal for the purpose of implementing this scheme. The state government may have arranged the process of maintaining appropriate books and accounts of employment of labourers, the expenses are sanctioned according to the implementation of the provisions of this Act.¹⁶

7.0 Power Of Central Government To Give Directions

The Central Government may give such direction as it may consider necessary to the State Government for the effective implementation of this Act. The Central Government has been issued the receipt of any complaint regarding the improper utilization of funds granted under this Act in respect of any scheme, if *convicted person has proved* than there would be an investigation into the complaint made by any agency, then he will be designated by it.

The vision of the Ministry of Rural Development is enabling MGNREGA in becoming a transformative vehicle of empowering local communities to enhance their livelihood security.¹⁷ The Ministry has taken several steps to ensure that the scheme has to be implemented effectively like encouraging distribution of works to needy poor people, participatory administration, improving release system and public liability. The Ministry is also encouraging the MGNREGA workers to obtain insurance under Jan Shri Bima Yojna.¹⁸ Under this scheme if a worker got injured during work then he will be admitted to the hospital and he will also be given half employment allowance out of his full day labour. It is also ensured in this scheme that if a person has died during work the compensation of Rs. 25000 will be given to his family.¹⁹

8.0 Nature Of Works To Be Taken Under The Scheme

Besides employment generation, the major purpose of the scheme is to create strong community resources for the growth of the livelihood sources on regular basis.

- i. Water conservation and water harvesting like farm ponds, micro irrigation facility to land by transformation of traditional water bodies by digging new tanks, etc.
- ii. Drought proofing and plantation including forestation, tree plantation, agro forestry etc.
- iii. Irrigation canals including micro and minor irrigation works.
- iv. Preservation of traditional water bodies including desilting of tanks.
- v. Land development.
- vi. Flood control and protection works including in water logged areas, check dams and culverts etc.
- vii. Rural connectivity to provide all weathers access.
- viii. Any other work which may be notified by the Central Government in consultation with State Government.²⁰

9.0 Significance of MGNREGA act :

MGNREGA has been played a significant role in rural employment generation as it aims to achieve the objective as enunciated in the Article 41 of the constitution –“giving citizens the right to work” can be explained as under:-

1. When the earlier wage employment programme were not provided any guarantee of the job, this Act

has been provided guaranteed wage employment.

2. It is a development initiative, chipping in with essential public savings for making durable resources, without which the growth process can't be possible in the most backward regions of rural India.
3. Almost all the previous programme allocation based rather than demand based. This scheme was launched in 2006 is regarded as unique from other points.
4. The key factor of MGNREGA is the condition of employment by the state to those people who are not able to find alternative employment and this will provide a form of social safety net to the rural unemployment people.
5. In other wage employment programmes, anyone can be provided labour but under MGNREGA only job card holders that apply for employment can be provided labour.

10.0 Conclusion

India's MGNREGA is the only Act which gives its rural people such a legal right. It has a vital role to play because of its humane approach. It serves as successful security web for the jobless persons especially during food crisis and dearth. It has enabled them with sufficient purchasing power and they are able at least to afford their basic necessity of food. The Act has confined the rural poor to their areas and tackle migration to the cities. It is not only giving rural livelihoods but also involving them in other non-agricultural work. This has helped in handling hidden workers. Employment in other non-agricultural work will also improve the rural infrastructure and rural asset building. It will ultimately lead to sustainable development.

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