

A Critical Survey of MGNREGA Implementation in India

Fozia Tabassum

Research Scholar of Economics Department, Aligarh Muslim University, Aligarh, (202002), India

Abstract: *The present study critically analyses the implementation of MGNREGS in India. The present paper is descriptive in nature. Only secondary sources of data have been used. The secondary sources include the research paper, articles, newspapers, and project reports. The study revealed that MGNREGS has both positive as well as negative impacts on rural workers. The study focuses more on issues and constraints which respondents face due to improper implementation of MGNREGS. The positive impacts include that the employment and expenditure of beneficiaries has increased among coming into MGNREGS. Moreover, the migration has reduced in some states due to the implementation of MGNREGS. The negative impacts which the workers face include delayed payments, low wages, social taboos, and insufficient funds, etc. The study findings will be helpful in the proper implementation of MGNREGS.*

Keywords: MGNREGS, Implementation, Issues, Constraints, India

1. Introduction

India is one of the emerging economies, the mainstream of the population is poor, and their living still depends on daily labor wages. In remote rural areas, the difficulty is to find work on a regular basis. Therefore, migration takes place to urban areas. To eliminate this situation, the then UPA (United Progressive Alliance) Govt. introduced Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) on 2nd Feb of 2006. The aim of this scheme is to make available at least 100 days of guaranteed wage employment to every rural household who were ready to do unskilled manual work in every financial year.

Before MGNREGA, the government had started several public works-based employment programs since the 1980s like National Rural Employment Programme 1980-1989; Rural Landless Employment Guarantee Programme 1983-1989; Jawahar Rozgar Yojna 1989-1999; Employment Assurance Scheme 1993-1999; Sampoorna Grameen Rozgar Yojna since September 2001 and National Food for Work Programme since 14 November 2004.

But government learned few lessons from all those earlier schemes like 'Crash Scheme for Rural Employment' taught the planning for outcomes, the 'Rural Manpower Programme' of financial management, a 'Pilot Intensive Rural Employment Programme' of labor-intensive works, 'Marginal Farmers and Agricultural Labourers Scheme' of rural economic development, the 'Food for Work Programme' (FWP) of complete development and better harmonization with the states, the 'Rural Landless Employment Guarantee Programme' of focus on landless households, and the 'National Rural Employment Programme' (NREP) of community development.

As a step in the direction of fulfilling the right of work and livelihood of Indian citizens, the National Rural Employment Guarantee Act (NREGA) was approved by parliament in 2005. On 2 February 2006 the act came into force and was executed in a phased manner. In Phase I, NREGA was set up; in 200 most backward districts of the country; in II phase (2007-2008) it was implemented in

additional 130 districts); in phase III (2008-2009) , it covered the remaining 285 rural districts of India. On 2 October 2009, NREGA was renamed as Mahatma Gandhi National Rural Guarantee Act after the Father of the Nation, Mahatma Gandhi.

MGNREGS, i.e., Mahatma Gandhi National Rural Employment Guarantee Scheme, is different from earlier wage employment programs because it is a rights-based program. Workers have the right to demand it from the government, and the government is lawfully bounded to provide the work within 15 days of demand, failing which the workers are allowed to receive unemployment allowance. "The primary objective of the scheme is to provide minimum livelihood security to rural households in the form of unskilled employment to adult household members and, at the same time, create durable assets in rural areas. It also aims at reducing distress migration from rural areas to urban areas, invigorating civic and community life, empowerment of rural women through increased earning opportunity and participation in community development process, overall development of rural economy, promotion of inclusive growth and development and at the same time creating multiplier effect on the economy" (Pankaj, 2012).

Employment generation is a significant feature of the scheme; unlike previous employment generation programs, the act clearly states that capital and heavy machinery cannot be engaged at the work site. The act consent that 60 percent of all expenditure is to be made on wage payments and 40 percent is to be spent on materials so that a 60:40 wage-material ratio is maintained

Before the MGNREGS, the operational work of Public employment programs was dominated by male workers both in terms of administration and participation rate (Pankaj, 2012). But MGNREGA commands that at least thirty three percent of workers shall be women. It has several gender sensitive provisions like equal wages, child care facilities at the worksite, worksite facilities, work within a radius of 5km, absence of contractors, and recognizing single women as a household which makes single and widow women to access this work. Female representation in administration is

guaranteed by the fact that the scheme is executed by local panchayats, which have one - third seat reserved for females.

2. Literature Review

The author divided the whole literature into four parts. The first part deals literature review of Northern states (i.e., Punjab, Jammu and Kashmir). The second part deals literature review of Southern states (i.e., Tamil Nadu and Kerala). The third part deals literature review of eastern states (i.e., Sikkim, Meghalaya, and West Bengal) and fourth part deals with the literature review of western state (i.e., Rajasthan)

2.1 Literature review of Northern states

Ghuman & Dua (2008) attempted to evaluate the NREGA in the Hoshiarpur district of Punjab. The study was based on primary data. One hundred households were selected randomly from 10 sample villages. The study found that 63.5 percent of male works under MGNREGA. The percentage of female workers under MGNREGA was found to be lesser than male workers. The study found that 73.6 percent of working days were produced in the first five years. On average, 50 days of work was to be done in a duration of two years. The extent of familiarity with MGNREGA beneficiaries' households was very less. The respondents also did not know about the unemployment allowance, minimum wage rate, and some provisions in the act. Since 2006-17, only 17 households finished 100 days of employment. During 2007 -08, the achievement of MGNREGA was not satisfactory because of finance and work generation problems. In the sampled villages, MGNREGA workers were provided 92 per day wage rate. The author concluded that such programs could be effective only if there will be proper social and political pressure from the part of rural poor on the implementing agencies

Malla (2014) aimed to correlate the official figures with the impact of the policy on the socio- economic vulnerabilities in the state. His analysis was based on time series field study, which was conducted in 2010 and 2012 in the Kage block of district Budgam. He found that at all India levels, the statutory 33 percent reservation for women in the workforce surpassed its limits to 51.92 percent, but in Jammu and Kashmir, the participation of women under MGNREGA is still only 20.05 percent. He also compared the proportion of women's inclusion in the workforce with the SCs/STs and found that the positions of SCs and STs in MGNREGA work are better than women workers during the beginning of the program.

2.2 Literature review of Southern states

Narayan (2008) considered that the social audit of NREGA had brought a major socio-economic change on NREGA women workers. The author used both primary and secondary data to collect information. She made a study in Villupuram district of Tamil Nadu, where women constitute 80 percent of NREGA workers. The study revealed the importance of NREGA on women in Tamil Nadu. For these women, NREGA was indispensable, and an "employment opportunity" as 41 percent of NREGA women have

declared it as the source of income for their households. And for a drunker's wife, NREGA was a more "comfortable life and a little Happiness". But the issues of child care and crèches facilities are overlooked and is an important issue that calls for creative thinking and action

Mahapatra (2010) reported that the special provisions of the MGNREGA had turned it into a magnet for women. The study examined that women work more than men under this guaranteed employment, and their participation rate increased at marginal rate since the establishment of the Act in 2006. This guaranteed program has taken as an opportunity of economic freedom by women workers. In several Indian states particularly in Kerala and Tamil Nadu, the history of women mobilization for schemes and campaigns had contributed to their higher participation in the program. And in Rajasthan also, the women had played a major role in creating awareness by making a campaign of social audit and in Kerala the management of worksites and other logistics for implementation is placed in the hands of women Self Help Groups, i.e., Kudumbashree. He also mentioned that 50 percent of women's representation in panchayats is compulsory and have great role in preparing the village development plan

2.3 Literature review of Eastern states

Panda et al. (2009) observed that one of the distinctive effects of MGNREGS in the state of Sikkim and Meghalaya is the development of women empowerment. The study was based on primary as well as secondary sources of data. A purposive sampling was used for selecting 240 beneficiaries in these states. It is only due to MGNREGS the women get the opportunity of equal wages, the opportunity of interacting with the bank officials, which in turn have raised the confidence level among the women workers. Under MGNREGS, women were given the opportunity of sharing data among co-workers, which has enhanced the knowledge empowerment among women workers in the tribal society. Change in health status has also acquired by women workers. Around 45 percent of MGNREGS women workers responded that they have been able to collect data on health-related issues through interacting with their co-workers working in MGNREGA.

Dey (2010) studied the functioning of MGNREGS in the Birbhum district of West Bengal. The study used the primary data. The study found out that all the respondents were well aware of the MGNREGA program. Sixty percent of surveyed respondents were ignorant about the details of the payment procedure. Beneficiaries were not given any kind of unemployment allowance. More than 80 percent of households were provided the job cards. The number of job days created was very less. For example in 2006 -07, the job days were created up to 14 days, and in 2008-09, it increased to 26 days, but it remains below 100 days of employment. It was also observed that the respondents did not demand job at the wage rate of Rs. 80 a day. Moreover, the study found that the timely payment of wages was not provided to the beneficiaries. For example, in 2006-07, the gap between the work foundation and wage payments was about 42 days. Though the delay has declined in the consecutive year. For example, in 2007 -08 payments were not done beyond 24

days. At last, the author concluded, that further research is needed to know how the available resources will be used to create more jobs and to build up the useful rural infrastructure

2.4 Literature review of Western state

Pamela & Sharma (2015) examined the impact of MGNREGS on the social and economic condition of beneficiaries in Dungarpur district of Rajasthan. For the study, a field survey was used, and the Dungarpur district was purposively selected for the extensive survey. The total sample size was 200 MGNREGA beneficiaries. The author observed that MGNREGS had become successful in enhancing the income to rural households. For example, 51 percent of households accepted that due to joining of MGNREGS, a yearly income has increased from Rs.5000 to 10,000, and 8 percent accepted and reported that MGNREGA had increased their annual income more than 10,000. As a consequence of the yearly increase in income of MGNREGA beneficiaries, their expenditure also gets increased. For example, 79.5 percent of respondents had mobile sets, and 35 percent had motor cycles. The author observed that migration fall in the study area due to the implementation of MGNREGS.

3. Issues and challenges in MGNREGS implementation

Various research study highlights issues and challenges in MGNREGS implementation. These issues are the following:

- **Low wages:** Presently, in some states, MGNREGA wage rates are below than the corresponding state minimum wages. The extremely less wage rates have affected workers' interest in working under MGNREGS.
- **Delayed Payments:** In spite of the order by the Union Ministry of Finance and Supreme Court, no provision has made in the MIS for calculation of full wage delays, the government declares that around 92 percent on-time payments generation is misguided. Even a quick survey will show that payments are paid late. Thus delayed payments discourage the workers from participate in it.
- **Insufficient Funds:** The ground level success of MGNREGS also depends on the sustained, proper, and uninterrupted flow of funds to the states. Funds have desiccated up in states, which obstruct the work in peak season. The fund allocation is inadequate and insufficient to ensure proper implementation of MGNREGS at the ground level.
- **Banking Puzzle:** The rural banks remain hugely crowded due to de-capacitated nature in terms of staff and infrastructure. To withdraw the wages from the banks, the workers have to visit the banks more than once. Due to poor infrastructure and great rush, the bank passbooks had not updated in many cases. Usually, the workers do not get their wages during times of requirement, and need due to the inconvenience, hassle, and the cost involved in getting wages from the bank. Thus this banking puzzle is faced by rural workers.
- **Non-payment of unemployment allowance:** There is a large amount of unemployment allowances which are not

paid to workers, that results in a big hurdle in the proper implementation of MGNREGS.

4. Issues of gender empowerment in the implementation of MGNREGS

Several studies brings out the following constraints related to women participation in MGNREGS

- MGNREGA reimbursement have not come easily –for women, the working hours have increased, their leisure time has gone, and they have to tolerate with emotional and physical strains (Pankaj and Tankha 2010)
- In a few places of Rajasthan, female workers informed that, they are unable to go for work outside because, nobody would be there, to take care of their children at home (Sudarshan, 2010)
- Child- care facilities are absent at the worksite, which makes a huge problem for women, particularly those with lactating mothers. (Frontline, 2009)
- Gender is again the constraint for women to access NREGA. They can do agricultural work in their fields, and it is not the convention of women to work on other peoples' land
- In- states like U.P and Bihar, women think that they have not been able to register and were told that NREGA program is not meant for them. Women in Sitapur (U.P) reported that they were teased, ridiculed or verbally abused by the male workers (Frontline, 2009)
- Illegitimate existence of contractors at many worksites has an affect on the availability of work and its benefits for women. In Madhya Pradesh, only the young men were provided work by the contractors. (Frontline, 2009)

5. Conclusion

On the whole, it was concluded that MGNREGS is a wage employment program, providing minimum wage employment to causal, unskilled labor, and women during every financial year. There is a great interstate variation of participation of women among the southern and northern states of India. In Kerela, the participation rate of women is highest (above 80 percent) due to the innovative execution of Kudumbashree. But in northern states, the participation rate of women is less than 50 percent due to the improper implementation of MGNREGS. Though gender has never been at the center stage of the program as a policy. But it was also found that the scheme has indeed positive as well as negative impacts on women. For example, it has been analyzed from Sikkim and Meghalaya that women had given equal wages for the first time under MGNREGS. In Rajasthan, the beneficiaries had increased their expenditure level after coming into MGNREGS. Due to the issues like delayed payments and low wages etc. the beneficiaries are losing their interest in MGNREGA work and thus need to be addressed by the government.

References

- [1] Kar,S.(2013). Empowerment of women through MGNREGS: issues and challenges. *Odisha Review*, 69(7-8), 76-80.

- [2] Why MGNREGS fail? Retrieved from <https://www.downtoearth.org.in/blog/economy/mgnrega-is-failing-10-reasons-why-62035>
- [3] Malla, M.A. (2014). Opportunity for social protection derailed – NREGA in Kashmir. *Economic and Political Weekly*, 49(52),109-115.
- [4] Narayan, S. (2008). Employment guarantee, women's work and child care. *Economic and Political Weekly*, 43(9), 10-13.
- [5] Mahaptra, R. (2010). How women seized NREGA. *Internet access: http://www.downtoearth.org.in/content/how-women-seized-nrega*. Date, 12, 2015.
- [6] Panda, B., Dutta, A. K., & Prusty, S. (2009). Appraisal of NREGA in the States of Meghalaya and Sikkim. A project report submitted in *Rajiv Gandhi Indian Institute of Management, Shillong*. 793014, 1-124 retrieved from <https://s3.amazonaws.com/academia.edu.documents/38090237/NREGA-IIMShillong->
- [7] Pamecha, S., & Sharma, I. (2015). Socio-economic Impact of MGNREGA-A study Undertaken among beneficiaries of 20 villages of Dungarpur District of Rajasthan. *International Journal of Scientific and Research Publications*, 5(1), 2250-3153.
- [8] Dey, S., & Bedi, A. S. (2010). The national rural employment guarantee scheme in Birbhum. *Economic and Political Weekly*, 19-25.