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Origin and Performance of MGNREGA in India- A Special Reference to Western Rajasthan

Abstract

With MGNREGA scheme India embarked on an ambitious attempt to battle by guaranteeing employment to those who demand work. The national rural employment guarantee act (NREGA), enacted on 25 August 2005 and renamed the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on 2 October 2009, includes activities under nine different heads to provide employment to village communities and improve their livelihood. It is the biggest employment providing progrmme over started in a country for the development of its rural areas. During 2006-07 against the total available fund of Rs 12073.56 crore, Rs 8823crore was utilized. The total available fund in 2014-15 of Rs 31467 crore, Rs 26404 crore was utilized. The women employment participation is increase 41% in 2006-07 to 56% in 2013-14.

Keywords: MGNREGA, Person-days, Employment, SCs, STs, Women. **Introduction**

The Indian government has taken up various measures to overcome the problem of poverty. Poverty alleviation programmes comprising of wage employment programmes, rural housing schemes and a public distribution system have been initiated from time to time. Some were partially successful in addressing the issue of poverty whereas others suffered from major flaws in their implementation.

National Rural Employment Programme (NREP) 1980-89: Rural Landless Employment Guarantee Programme (RLEGP) 1983-89; Jawahar Rozgar Yojana (JRY) 1989-99; Employment Assurance Scheme (EAS) 1993-99; Jawahar Gram Samridhi Yojana (JGSY) 1999- 2002; Sampoorna Grameen Rozgar Yojana (SGRY) since September 2001; National Food for Work Programme (NFFWP) since November 14, 2004 (SGRY and NFFWP now merged with NREGS 2005) were national level rural employment generation schemes. However these programmes could not provide social security to the rural poor. The Central Government launched NREGA on February 2, 2006. The Act guarantees the right to work to by providing 100 days of guaranteed wage employment in a financial year to every rural household whose adult members are willing to do unskilled manual work. NREGA is the first ever law internationally, that guarantees wage employment on an unprecedented scale. Its auxiliary objective is to strengthen natural resource management through works that address causes of chronic poverty like drought, deforestation and soil erosion and so encourage sustainable development. It has been renamed as Mahatma Gandhi National Rural Employment Guarantee Act on 2nd October 2009.

The Act was notified in 200 districts in the first phase with effect from February 2, 2006 and then extended second phase to 130districts in the financial year 2007-08 (113 districts were notified with effect from April 1, 2007 and 17districts in UP were notified with effect from May 15,2007). The remaining districts have been notified in phase three under the NREGA with effect from April 1, 2008. Thus NREGA covers all the 593 districts in India.

Review of Literature

A lot of literature are found form different studies in India where in the details about the salient features of NREGA and its several relevant issues are narrated e.g. Trivedi and Aswal, 2011; Thomas, 2008; Bigi Thomas, Ruby bhartia,2012; Reetika khera,2008; Bordoloi, J.,2011; Santosh mehrotra, 2008; Dreze Jean ,2009. MGNREGA has a demand driven Scheme so under this scheme part of funds 60% expended on wages but due to irregularities in some cases work has been completed but



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wages have not been given to beneficiaries. Payments of wages through bank are another safe guard of this scheme but due to corruption and irregularities wage has been not received by beneficiaries as reported in different studies. Employment and unemployment allowance have important part of MGNREGA scheme, this scheme given an assurance to rural people 100 days employment on nearer at home but unfortunately works were not provided within 15 days its provision under NREGA Act to provide unemployment allowance on this theme many research works have been done (e.g. Chandrashekhar & Ghosh, 2005, Dreze Jeans et al., 2006, Rai, 2010, Jha et al., 2012. Objectives of the Study

The study has been made:

- To explain the concept, evolution and current status of MGNREGA;
- To discuss about the objectives and salient features of MGNREGA;
- To review the performance of MGNREGA in India and Rajasthan
- To explain the employment status of men and women in MGNREGA.

Research Methodology

The present study was carried out with the objective of assessing to understand the performance of the Mahatma Gandhi National Rural Employment Guarantee Act in India and Rajasthan. The data was collected from secondary sources. The secondary data has been collected from the various reports viz., Ministry of Rural development Government of India and RBI Bulletin.

Salient Features of the Act

Salient features of the Act are summarized below:

- Time bound employment guarantee and wage payment within 15 days.
- Incentive-disincentive structure to the State Governments for providing employment, as 90 percent of the cost for employment provided is borne by the Centre while payment of unemployment allowances are borne by the State Governments (at their own cost)
- 3. Emphasis on labour intensive works prohibiting the use of contractors' and machinery.
- The Act mandates 33 per cent participation for women.
- The cost sharing between Central and State Governments is 75 per cent and 25 percent, respectively.
- Adult members of rural households' submit their name, age and address with photo to the Gram Panchayat.
- The Gram Panchayat registers households after making enquiry and issues a job card which contains the details of adult member enrolled and his/her photo.
- Registered person can submit an application for work in writing (for at least fourteen days of continuous work) either to Panchayat or to Programme Officer.

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- The Panchayat/ Programme Officer will accept the valid application and issue dated receipt of application and the letter providing work will be sent to the applicant and also displayed at Panchayat Office.
- 10. The employment will be provided within a radius of 5 kilometers and if it is above 5kilometers. extra wage will be paid.
- 11. If employment under the scheme is not provided within fifteen days of receipt of the application, the daily unemployment allowance will be paid to the applicant.
- 12. Social Audit has to be done by Gram Sabha.
- 13. Grievance redressal mechanisms have to be put in place for ensuring a responsive implementation process.
- 14. All accounts and records relating to the scheme should be available for public scrutiny.
- 15. Work site facilities such as creche, drinking water, shade have to be provided.

Performance of the MGNREGA Act -An Overview

The MNREGA of 2005 covered 200 districts is the Phase I district and in 2006-2007 this was extended to cover 130 additional districts known as the Phase II districts. During 2006-2007 against the total available fund of Rs.12073.56 crore, Rs.8823.36 crore was utilized. The average Fund utilization per district was Rs.44.12 crore. In 2006-2007 out of this Rs.8303.82 crores have been released up to 14th November 2007, out of this Rs.5365.99 crores have been released to the phase I districts .and Rs.2937.92 crore has been released in the phase II covering 131

As table 1 illustrates during 2006-2007 2.12 crore households has demand for employment out of which 2.10 core households were provided employment. During the year 90.51 crore man days of employment was provided under the programme. Average of 45.2 lakh man days of employment perdistricts has been generated. The share of Scheduled Castes was 22.95 crore man days (25.36%) and Scheduled Tribes was 32.99 (36.45%) constituting a total of 55.94 crore man days for SC/STs which comes all outed for 62% as per the MGNREGA Programme. The share of women man days should be 1/3 rd and the same has 36.79 crore man days which is about 41 percentage. The progress of MGNREGA increasing during the years. During the financial year 2013-14 i.e. up to 31 Dec 2014 4.24 crore households has demand for employment out of 3.60 core households were provided which employment and the total man in days 121.25 crore employment has been generated under the programme. Out of this share of scheduled castes is 27.51 crore person days (23%) and scheduled tribes is 20.18 crore person days (17%). The share of women is 67.32 crore man days allowanced for 56 percentage. The average wages of labour has been increased in past few years. So increase in wages resulting in improvement in the bargaining power of agriculture labour. It has also led to improved economic outcomes, especially watershed in activities, and reduction in distress migration.

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Table 1
Performance of MGNERGA

Performance of MGNREGA	2006-07	2009-10	2013-14
No. of districts	200	619	633
Total job cards issued (in crore)	3.78	11.25	13.15
Employment provided to households(in crore)	2.10	5.25	4.79
Total employment days(in crore)	90.50	283.59	220.22
SCs	22.95 (25%)	86.44(31%)	49.79(23%)
STs	32.98 (36%)	58.74(21%)	38.23(17%)
Women	36.40 (40%)	136.40(48%)	116.24(53%)
Others	34.56 (38%)	138.40(48%)	132.29(60%)
Person days per HH	43 days	54 days	46 days
Budget outlay (Rs in crore)	11300	39100	34000
Central releases (Rs in crore)	8640.85	24714.19	32743.68
Total available fund (including OB) (in crore)	12073.55	45682.46	42215.67
Expenditure(Rs in crore)	8823.35(73%)	37909.78(83%)	38672.40(92%)*
% against available funds)			1772.90**
Expenditure on wages(Rs in crore)	5842.37(66%)	17832.62(69%)	26647.54(73%)*
(as % of total expenditure)			986.92**
Average wage paid per person day(Rs)	65	89	132
Total no. of works taken up (in lakh)	8.41	33.83	94.14
Works completed (in lakh)	3.97	22.59	24.11
Water conservation and water harvesting	4.51(54%)	17.41(51%)	31.53(33%)
Provision of irrigation facility to land owned by SC/ST/BPI	0.81 (10%)	5.68(17%)	
and IAY beneficiaries			
Rural connectivity	1.80 (21%)	5.43(16%)	14.46(15%)
Micro Irrigation	-	-	
Land development	0.89 (11%)	4.63(14%)	6.06(7%)
Flood control	-		
Drought proofing			
Renovation of traditional water bodies			
Other activities approved by MoRD		0.68(2.03%)	2.07(2%)
Bhart nigam Rajeev Gandhi seva Kendra			0.34(0.36%)

Source: Official website of MGNREGA –http://mgnrega.nic.in * -actual expenditure, ** - payment due Performance of the MGNREGA in Rajasthan

The state of Rajasthan has witnessed considerable achievements during the implementation of national rural employment guarantee act (NREGA). The achievements are linked with the ministry of rural development's advice to all states for ensuring wage payment to NREGA workers through bank and post office accounts . So far 9.88 crore accounts have been across the country.

In Rajasthan, it has been launched in three phases. In first phase (February 2nd, 2006.), Initially MGNREGA was started in six districts namely

Banswara, Dungarpur, Jhalawar, Karauli, Sirohi and Udaipur. In second phase which started during 2007-08, six more districts viz., Barmer, Chittorgarh, Jaisalmer, Jalore, Sawai Madhopur and Tonk were included. Finally in third phase which started during 2008-09 remaining all districts were added in this Scheme. Thus at present, MNREGA is being operated in all the districts of the state. In Rajasthan, this programme provides an employment to house hold 1838 lakh main days including 1245.42 (67.7 per cent) lakh participation of women during 2013-14.

Table 2
Performance of MGNREGA in Rajasthan

Indicators	2009-10	2010-11	2011-12	2012-13
Total job card issued (in lakhs)	9827121	9734815	9727300	9945153
No. of household demanded employment (in lakhs)	6259367	5469867	4702371	4508100
Employment provided to household (in lakhs)	6164923	5343234	4526452	4476846
Total persons days of employment generated (in lakhs)	354322689	259518753	207318814	196720469
% share of SC person-days	10.17	18.17	16.67	18.30
% share of ST person-days	19.74	21.5	24.73	24.12
% of women person-days	63.1	68.6	69.18	69.14
Average person days per household	57.47	48	45.80	43.94
Household availed 100 days of employment (in lakhs)	846316	344723	335621	279633
	(13.72%)	(6.45%)	(7.41%)	(6.24%)
No. of districts covered in MGNREGA	33	33	33	33
Average wage rate per person day (in Rupees)	87	75	94	100

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Average expenditure per district(in crore)	171.79	100.01	94.86	26.26
Average expenditure per panchayat samiti (in crore)	23.92	13.25	12.62	12.81
Average expenditure per gram panchayat (in crore)	61	36	34.11	34.62
Average expenditure per person day(in Rupees)	126	108	153	144
Works total	113509	92677	75100	82463
% Completed	59.601	28.566	10.662	4.06

Source: www.mgnrega.nic.in, www.rdprd.gov.in & nrega.raj.nic.in

As table 2 indicates that total job cards issued has almost remained same in 2009-10and 2011-12. The total person-days of employment generated has decreased from 3543 lakhs to 2073 lakhs during the 2009-10 to 2010-11 period; and the average person-days of employment generated per household was also highest in 2009-10.As regards women's employment in MGNREGA, one observes an increase in their percentage share in total employment from 63.1 to 69. An increase in ST percentage share in total employment from 19.74 to 24.73. The MGNREGA has completed 7 years of implementation in the state. This scheme has been universalized and is operational in all the gram panchayat of states. In 2013-14 Budget estimates government of Rajasthan proposes 150 days employment guarantee. The state government has also formulated its own scheme titled 'Rajasthan Rural Employment Guarantee Scheme' (RREGS). Rajasthan is one of the states where the scheme implementation is at its best as per state government statement.

Employment Status of Men and Women in Rajasthan (MGNREGA)

From financial year 2006-07 up to financial year 2014-15 (up to 31st December 2014), around Rs 89072 crore have been on wages for women. Women participation rate has ranged between 40.56% of the total person days generated much above the statutory minimum requirement of 33 %. In fact, the participation rate of women under the scheme has been higher than in all forms of recorded work. With an increased rate of participation a large amounts being spent on wages for women, studies and field evidence suggest a positive impact of the scheme on the economic well-being of women. The scheme has also led to gender parity in wages. The NSSO 66th round indicated that MGNREGA has reduced traditional wage discrimination in public works. Access to economic resources has also had favorable impact on the social status of women, for example women have a greater say in the way the money is spent in households. A large percentage of these women spend their money to avoid hunger, repay small debts, paying their child's schooling etc.

Currently MGNERGA is operating in all the rural regions of Rajasthan. The performance of men and women in western Rajasthan districts with regard to MGNREGA in terms of average person days

generated is presented here. An average person day of men/women is calculated by dividing total persondays of men/women in block/district by number of men/women worker in block/district. Block wise and district wise average person days of men and women in western Rajasthan districts from financial year 2009-10 to financial year 2012-13 is also presented in this section. The sample data of households have been collected randomly and used for analysis.

Table-3
Percentage of Men and Women Worker in MGNREGA at Block Level

Block	2009-13				
		Percentage of women worker (%)			
Ausia	25	75			
Luni	35.37	64.62			
Bhopalgarh	27.64	72.41			
Kolayat	44.77	55.22			
Dungargarh	48.53	51.46			
Bikaner	52.5	47.5			
Dhorimana	51.11	48.88			
Chotan	50.66	49.33			
Brmer	40.29	59.70			
Jaislmer	47.61	52.38			
Sum	42.46	57.53			
Sankada	52.17	47.82			
Makrana	29.41	70.58			
Jayal	45.94	54.05			
Nagour	33.33	66.66			
Aahore	31.74	68.25			
Jalore	23.94	76.05			
Sanchor	28.78	71.21			
Dasuri	31.34	68.65			
Marwad junction	30.30	69.69			
Rani	17.24	82.75			

Source: www.mgnrega.nic.in

The table 3 illustrates the percentage of men and women worker in MGNREGA at block level. This table explains that in Bikaner, Dhorimanna, Chotan and Sankada blocks, percentage of men worker was higher than percentage of women worker. In other blocks of women worker was higher than men workers percentage. In Rani Block, percentage of women worker was 82.75%, which was highest throughout 2009-13. In Bikaner block women worker were less than 50 percent.

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Table-4
Percentage of Men and Women Worker in MGNREGA at District Level

District	2009-10		20	2010-11		2011-12		2012-13		2009-13	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	
Jodhpur	30.2	69.8	26.7	73.3	22.2	77.8	22.4	77.6	29.8	70.2	
Bikaner	42.5	57.5	37.1	56.6	44.3	59.1	30.1	41.0	48.8	51.2	
Barmer	41.2	58.8	38.4	58.9	47.2	60.6	35.6	47.9	47.2	52.8	
Jaislmer	41.5	58.5	35.2	66.0	42.9	63.4	31.0	43.7	47.3	52.7	
Nagour	31.8	68.2	28.2	69.8	32.2	69.2	25.8	62.3	37.3	62.7	
Jalore	25.3	74.7	19.7	74.8	19.4	76.3	13.1	69.3	28.0	72.0	
Pali	22.9	77.1	16.9	80.3	15.9	81.9	21.3	86.0	26.6	73.4	

Source: www.mgnrega.nic.in

The table 4 also shows percentage of women worker was above 50 in all these western districts in four years from 2009-10 to 2012-13. Women workers were highest in Pali district with 73.4 percent and lowest was in Bikaner district. In Jodhpur and Pali districts increasing trend was found in number of women worker. In Bikaner, Barmer and Jaislmer districts the difference in women and men percentage was less than Jodhpur, Nagour, Jalore and Pali districts.

Summary

Mahatma Gandhi NREGA has provided basic income security to a large number of beneficiaries. It provides employment to around 5 crore households, on an average, every year. This is almost one-fourth of the total rural households in the country. Since its inception MGNREGA has generated 1782 crore person days of employment up to 315 December, 2014. The Number of households has increased significantly from 3.39 Crores in 2007-08 to 4.49 Crores in 2013-14 and up to December'2014 MGNREGA has provided employment to 3.60 Crore households enerating 121.25 Crore person days. Total Job Cards issued were more than doubled during the study period i.e. 6.48 Crores in 2007-08 and 13.15 Crores in 2013-14. The number of Districts have also increased from 330 to 633 during the period from 2007-08 to 2013-14. In 2009-10, number of person-days created was 283.59 Crores which declined to 220.22 Crore person-days in 2013-14. In total person-days Scheduled Castes' share has increased significantly from 27 per cent in 2007-08 to 31 per cent in 2010-11, declined in 2013-14 to 23%. The share of Scheduled Tribes in total person-days created has declined from 29 percent in 2007-08 to 25 per cent in 2008-09 and during 2009-10 and 2010-11 it was 21 percent each and further declined to 17% in 2013-14. Women-days increased significantly from 61.15 Crores in 2007-08 to 116.24 Crores in 2013-14. Budget outlay was Rs.12000 Crores in the year 2007-08 and increased to Rs. 34000 Crores in 2013-14. The enhanced wage earnings have led to a strengthening of the livelihood resource base of the rural poor in India: 73 percent of funds utilized were in the form of wages paid to the workers. Self targeting in nature, the programme has high work participation for marginalized groups like SC/STs (40%) and Women (53%) in 2013-14 (up to December, 2014). Total works undertaken were 95.14 lakh in the same

period, of which 31 percent relates to Water Conservation, 14 percent for Rural Connectivity, 6 percent for Land Development, 2 percent for any other activity approved by MoRD and 0.34 percent for Bharat Nirman Rajiv Gandhi Seva Kendra.

From financial year 2006-07 up to financial year 2014-15(up to 31st December 2014) over Rs 183013 crore has been spent on wages. This is almost 67% of the total expenditure. The scheme's notified wages have increased across all states since 2006. The average wage earned per beneficiary has risen from Rs 65 per person day in 2006 to Rs 132 by 2013.

At the national level participation of women has increased significantly from 46.41% in 2010-11 to 48.81% in 2011-12 and further to 53% in 2013-14 which are exceeding expectations and the stipulated 33% share. Highest participation is seen in states like Kerala followed by Pondicherry. Men and women participation in MGNREGA has been analyzed at block level and district level for the period 2009-10 to 2012-13. It is observed that percentage of female worker was more than 50 in each block. Female working population in MGNREGA is 50 percent more than men in each western Rajasthan districts for the period of 2009-13.

Conclusion

At the macro level, the study found that there is a positive association between MGNERGA employment and reduction of poverty and income generation. Women, SCs, STs, and OBCs have significantly benefited from the act. But in reality the numbers of days of works provided and wage rates is not inconformity with statuary provisions. At the micro level analysis, the study found that the act has reduced the population pressure in the agricultural sector. It serves as an effective safety net for the unemployed especially during famine and drought. It has enabled them with sufficient purchasing power and they are able to at least to supports their basic necessity i.e. food. The Act has confined the rural poor to their areas and stopped 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 disguised workers. Employment in other non-agricultural work will also improve the rural infrastructure i.e. rural asset building. It will ultimately lead to sustainable development.

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