



An Impact Assessment Study of Mahatma Gandhi National Rural Employment Guarantees Act' (Mgnrega) In Karnataka

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ABSTRACT

Rural poverty and its eradication has been part of the discourse since independence. A plethora of programmes since then have been tried in rural India to eradicate poverty, with varied impacts. MGNREGA is an Indian job guarantee scheme. The scheme provides a legal guarantee for one hundred days of employment in every financial year to adult members of any rural household willing to do public work-related unskilled manual work at the statutory minimum wage. The aim of the paper is to assess the impact of MGNREGA. The study is confined to Saraswatipura gram panchayat of Kadur Taluk, Chikmagalur district in Karnataka state. The study is based on both primary and secondary data. The main finding of the study are: the dominant castes are taking the benefit of the employment meant for Schedule Caste (SC)/Schedule Tribes (STs) and act is providing employment to some extent, but the implementation of the act has many flaws. The policy suggestions are the usage of technology in the work should be stopped and there should be hike in the wage rate paid.

KEYWORDS: Employment, Government, Impact, Poverty.

Introduction

In spite of a high rate of growth in the economy, the Indian economy suffers from several distortions. The incidence of poverty in the country is still very high, at 26.6 per cent with the bottom 10-15 per cent poor frequently suffering from starvation, largely emanating from the lack of adequate purchasing power (Hirway, Indira et al. 2006). Rural poverty and its eradication has been part of the discourse since independence.

A plethora of programmes since then have been tried in rural India to eradicate poverty, with varied impacts. The potential beneficiaries may find that the income from cultivation of small plots falls short of subsistence requirements. Specifically, through a work -requirement, these programs are expected to exclude the more affluent sections. In this regard a new program was started by the government MGNREGA.

The MGNREGA

As, India is a second largest populated country, the problem of poverty and unemployment are rampant; in this regard the wage employment program like MGNREGP go long way in solving these problems. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an Indian job guarantee scheme, enacted by legislation on August 25, 2005. On February 2, 2006, amidst great hype and hope, the MGNREGA came into force in 200 of India's backward districts.

The scheme provides a legal guarantee for one hundred days of employment in every financial year to adult members of any rural household willing to do public work-related unskilled manual work at the statutory minimum wage of ₹ 120 per day in 2009 prices. This legal commitment is a landmark event in the history of poverty reduction strategies in India. It is also a unique event in the pro-poor strategies in the world, as no country in the world has ever given a right of this kind to such a large population so far. This act was introduced with an aim of improving the purchasing power of the rural people, primarily semi or un-skilled work to people living in rural India, whether or not they are below the poverty line.

Performance of MGNREGA in India

The performance of the MGNREGA in India indicates that, the job cards issued has been increased by three fold. Employment provided against the total job cards issued indicates that on an average 45 per cent of them got the employment. The employment demanded against job cards issued is almost 50 per cent; whereas employment provided against demand is remarkable almost 99 per cent. The dominant castes are taking the benefit of the employment meant for SC/ STs.

Performance of MGNREGA in Karnataka

The performance of the MGNREGA in Karnataka is depicted in Table -1. The job cards issued has been increased by six fold from 2006-07 to 2011-12. Employment provided against the total job cards issued indicates fluctuating trends, which has been declined from around 69 per cent in 2006-07 to around 30 per cent in 2011-12.

"Table - 1 about here"

The employment demanded against job cards issued is fluctuating over the years and having declining trend; whereas employment provided against demand is remarkable almost 99 per cent. The employment is provided to various categories like- SC, STs and women. The per cent of SC, STs and women in the persons days generated has declined from 33, 20 and 51 per cent respectively in 2006-07 to 16, 8 and 45 per cent respectively in 2011-12. Whereas the per cent of other backward castes (OBCs) in the persons days generated is increased from 47 per cent in 2006-07 to 76 per cent in 2011-12, indicating that the dominant castes are taking the benefit of the employment meant for weaker sections.

Review of Literature

Hirway et al. (2006) finds that there is limited success towards the implementation of the scheme. Ghuman et al. (2008) says that the achievement of the Act in terms of annual average days of employment per household has been nearly 1/4th of the minimum 100 days employment. Joshi et al. (2008), the impact of the study reveals that people at large are satisfied with the scheme. Ministry of Rural Development (2008) opines that the monitoring and implementation of MGNREGA has problem in many states. RTBI (2009) the program remained true to its 'right to work' entailments and did not counsel households that approached for works with better living standards.

Objectives of the paper

The overall aim of the paper is to assess the impact of MGNREGA in Chikmagalur District. The specific objectives of the paper are as follows:

- ← To study the socio-economic background of the beneficiaries of the act.
- ← To know the perceptions of the beneficiaries about the act.
- ← To find out the lacunas in the implementation of the act and to offer suggestions for policy implications.

Methodology

The study is conducted in Saraswatipura Gram Panchayat of Kadur Taluk of Chikmagalur district of Karnataka, where in there is need for employment to the people. The district is chosen because the act has been implemented fully and it represents all the characteristics of other districts. The study is based on both primary and secondary data. The study is based on purposive sampling technique. The primary data's are collected through structured questionnaire, while secondary information is collected through published books and reports. 120 beneficiaries form the total sample of the study. Simple statistical tools have been used to analyze the data.

Analysis

The socio-economic condition of the people from the study area is depicted in chart-1.

"Chart - 1 about here"

It can be observed that 93 per cent of the respondents are male, 83 per cent of them are married, 67 per cent of them are in the age group of 25-45 years; 62 per cent of them are from SC communities, most of

them (62 per cent) are illiterate and 42 per cent of them are wage workers. This indicates that the MGNREGA has benefited to the male members, but the act mandates for 50 per cent of the beneficiaries should be females. As the act has been implemented from the Gram panchayts, the GP member's plays vital role in providing the benefit of the scheme to the people. In a male dominated society female do not have voice to ask for employment.

In the study area, they were asked about their perception about Act including information of the act, registration for job cards, employment, and wages paid etc. which are depicted in Chart-2.

“Chart - 2 about here”

Friends (42 per cent) have played a vital role in providing the information, followed by mass media. Majority of the registration for job cards happened in 2009-10, this because initially people were suspicious about the act, when they got the confidence from their friends then they registered for the act. 62 per cent of them have got the employment only for 20 days a year; but the act guarantees 100 days of employment to the beneficiaries.

Most of the respondents opined that the basic facilities are not provided at workplace like first aid box, pure drinking water and place for leisure. 68 per cent of the respondents have received compensation of Rs. 10,000 to 15,000 per annum, where as act guarantees a wage of Rs. 120 per day. It means the wages are paid in lump sum rather than daily wages. Most of the works happened outside the village, 67 per cent of the respondents are of the opinion that the wages provided under act are inadequate, facilities are inadequate and there is wage discrimination between men and women.

Suggestions

For the proper implementation of the act the respondents were enquired about their suggestions. They opined that minimum of Rs. 200 wages must be fixed and there should not be any discrimination in the wages. The GPs are using the modern technology to get the work done, which should be stopped to provide more man days of work.

There should be supervision on wages, so as to reach them to concerned person. The GPs should be warned strictly to utilize the sanctioned amount and work should happen in and around village instead of outside village. Job should be provided to all job card holders and there should be redress cell in case injustice met by the beneficiary.

Conclusion

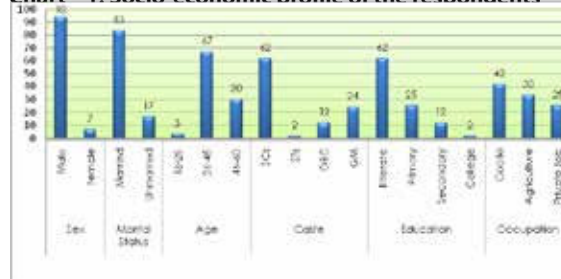
In the study area the Act is providing employment to some extent, but the implementation of the act has many flaws. People should be made aware about the details of the act, increase in the man days of work provided and wages should be considered on priority basis for the improvement of the act. The act has made dent on the problem of unemployment, but needs proper implementation to achieve more success.

Table – 1: Performance of MGNREGA in Karnataka (in per cent)

Years	job provided against total job cards issued	HH demanded job against issued job cards	jobs provided against demand	Person Days			
				SCs	STs	Wom-an	Others
2006-07	68.53	68.95	99.39	33.05	20.35	50.56	46.60
2007-08	36.11	36.37	99.28	30.23	19.18	50.27	50.59
2008-09	26.20	26.50	98.86	27.77	13.87	50.42	58.35
2009-10	67.71	69.46	97.49	16.70	8.57	36.79	74.72
2010-11	42.02	45.61	92.13	16.16	9.36	46.01	74.49
2011-12	29.65	29.86	99.28	15.70	8.29	45.93	76.00

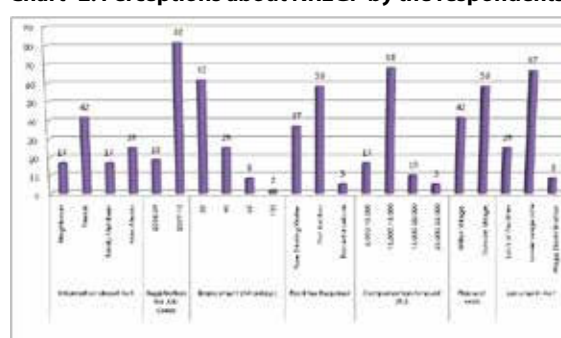
Source: Compiled from http://MGNREGA.nic.in/netMGNREGA/mpr_ht/MGNREGAmpr.aspx

Chart – 1: Socio-economic profile of the respondents



Source: Primary Data (Field Survey)

Chart -2: Perceptions about NREGP by the respondents



Source: Primary Data (Field Survey)

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