



Challenges in Implementation of Mahatma Gandhi National Rural Employment Guarantee Act, 2005, (Mgnrega) With Special Reference to Odisha.

Baidhar Biswal

Ex-Addl. Secretary (MGNREGA), & ex-Director, SIRD, GoO

KEYWORDS :

MGNREGS (framed pursuant to MGNREGA-2005) is one of the largest and most ambitious antipoverty schemes in independent India which aims to strengthen livelihood security through time-bound guaranteed wage employment and is radically different from the development or antipoverty schemes implemented previously which are supply-led/allocation-based. The processes of implementation of the scheme being new, innovative, demand driven, rights-based, participatory and decentralized cannot be infused into the system within a limited time for better outcomes. Judging in this perspective within the last 10 years of the schemes implementation many challenges have been faced with inter-state variations which are broadly as follows:-

A. Political will of the Central Govt.

Political parties which form the central Govt. at the centre, generally, do not want to continue the schemes, howsoever popular, if started by the previous govt voted out of power. Political Govts should remember in a country like India with 125 crores of population with large scale unemployment, under-employment, poverty, a flagship scheme under employment is absolutely required to provide employment & eradicate poverty. Rather they change the nomenclature of the scheme but keep most of the fundamental features intact. This is due to vote bank politics & political rivalry, MGNREGA thought started by UPA-II Govt. faced the same fate when NDA govt. came to power during 2014. Criticisms were raised from different quarters on some plea or the other. CM of Rajasthan Mrs. V.Scindia went to the extent of repealing the Act as it does not give flexibility to state Govts for spending the allocated amount (Times of India dated 6/5/2015) Govts will come and go but time tested schemes should go on for the larger interests of the rural poor & unemployed.

B. No proper co-ordination between centre and state govts.

It has been experienced, time & again, that state Govts which have political parties which are not coalition partners of Central Govt., normally do not implement central schemes with alacrity treating them as agendas of those political parties for creating vote banks. On the other hand, central Govt. also shows step-motherly attitude in releasing scheme funds to State Govts. having rival political parties. While dealing MGNREGA matter at Odisha Govt. level, as Joint Secretary / Additional Secretary I have experienced this during UPA Govt. during 2007-08 & 2008-09. At times, Central Govt. release fund at the end of financial year as a result huge balance is left to next financial year which warrants cut in allocation. As reported by Times of India on 6-5-2015 around 6000 crores of arrear wages under MGNREGA of 11 states (including also BJP ruled states) were not released for months together. Sunday Times of India of April 10, 2016 in front page headline published that "after SC rap, Centre releases 12,2007- crores for MGNREGS". Thus lack of co-ordination between Centre & State Govts is a major hurdle which hampers smooth implementation of the scheme and snow-balls in to a negative effect in poverty eradication & rural development. This irregular fund flow has also resulted in delayed payment of workers' wages & jobseekers lose faith in the scheme.

C. Quality of governance & administration.

For the first time, Govt. of India framed an Act for employment guarantee with many new innovations, processes which have been made mandatory to be followed as per provisions of the Act (MGNREGA-2005). Those include, registration of households, Job card issue, application for work & providing work, payment of wages in time, employment allowance, planning, execution of work & monitoring, worksite facilities, social audit, grievance redressal, proactive disclo-

sure of implementation data, MIS, audit by CAG, and these processes are to be infused in to the system and Gram Sabha, Gram Panchayat, Block, Zilla Parishad are to be strengthened to cope up with them. The state officials handling the processes are to be trained for better delivery. States with better system of Governance and administration could cope up with new workload with better demand for work and states not having better system, lacking in resources, staff, quality administration, could not generate maximum work demand nor, could implement the scheme up to satisfaction as a result its objectives were defeated (1)* i.e. they have higher rationing rates & greater unmet demand for work.

D. Lack of awareness about the Act & Scheme its processes.

Awareness about the provisions/ processes of the Act / Scheme and other entitlements are lacking amongst workers / stake-holders An NSSO panel survey in AP, Rajasthan & MP revealed. (2)*

- i. In MP (18% HHs) In AP & Rajasthan (less than 10% HHs) were aware of the legal provision of unemployment allowance.
- ii. In Rajasthan 72% HHs were aware that MGNREGA work can be demanded any time during the year but in MP it was 47%, in AP 29%.
- iii. Low awareness about 35% HHs in AP, 28% HHs in MP & 16% HHs in Rajasthan were not aware of grievance redressal mechanisms in MGNREGA system. But in case of Maharashtra the awareness level was comparatively better as the old guarantee act was there since 1970s.

E. Functioning of the Gram Sabha and planning process not satisfactory.

The act mandates that selection and prioritization of works to be taken up in the ensuing financial year is the responsibility of Gram Sabha. This planning of works will reflect development needs of each village through their active participation. However field studies indicate that Grama Sabhas are not held regularly & frequently as desired, as a result, selection and prioritization of works are not done properly. There is low participation of villagers. In cases, 50% of scheme fund is not allocated & spent by GPs. CAG Audit, performance audit report No. 11-2008 indicates that around 80 Gram Sabhas had not been convened across 12 states which include A.P, Assam, Chhatisgarh, Jharkhand, Karnataka, MP, Odisha. A quick appraisal by I.I.M, Lucknow during 2008 over 5 districts of UP found that only 45% of the 784 respondents stated that GS meetings have been held and 42% of the respondents told that work prioritization has been done in GS meetings. In want of proper functioning of Gram Sabha one cannot expect that MGNREGA works will be successful with full participation of stake-holders. G.S. being key to planning of works, social audit, those processes cannot be effective in their functioning.

F. Demand for work, providing work, or unemployment allowance in want of work. Anomalies.

Households willing to work and seeking employment are not given work resulting in rationing of demand (3)* NSSO 66th round data for 2009-10 indicated that for the whole of India, 25% rural HHs were provided work and 19% of the total rural HHs sought work but didn't get employment. The NSSO data observed that poor states like Bihar (28%) Odisha (29%) Jharkhand (29%) have low participation rates, high levels of unmet demand, resulting in high rationing. A longitudinal study in 5 districts (480 villages) in AP revealed that actual participation rates in phase I districts was 17% phase II districts - 11% and

5% in phase III districts. Allocation of work was, most of the time, regulated by the village leaders. Low participation of women and illiterates indicated lack of awareness, & other social factors (4)* However, rationing of demand for work in terms of no. of days was very much evident as per NSSO MGNREGA Panel survey-2010-11 in AP, Rajasthan & M.P. for reasons like non-opening of work sites, work was not available and for other reasons. The NSSO data, however is at variance with the MIS data for the reason of recall of 365 days. The NSSO study also did not point out presence of electoral politics at GP level due to social & caste politics in 2 districts of Bihar.

G.Non-issue of dated receipts & neither non-provision of work within 15days nor payment of unemployment allowance.

The Act mandates that every household that applies for work will be given a dated receipt. This forms the basis of providing work within 15 days of work is sought, in want of which unemployment allowance is to be provided. This acts as social security cover to poor and vulnerable. In spite of much emphasis, dated receipts are not granted against work application as found from CAG Audit Report in 282 GPs across 21 states. (5)* In Odisha, in a study across 4 districts on 162 JC holders & 96 non JC holders, it was ascertained that average waiting time for getting work after application was 31 days. (6)* IIT (K) also reported that in UP, 58% out of 400 sample beneficiaries across 5 districts were provided work within 15days.

Like wise CAG performance Audit No11 2008 also found that unemployment allowance was not paid in 58 of the surveyed Blocks across 17 states which include Odisha, Assam, Chhatisgarh, Jharkhand, Karnataka, Rajasthan & UP. In a study in Kerala, out of 620 respondents 30% did not get work within 15days but 4% of them got unemployment allowance. (7)* It is therefore strongly believed that since state Govt. is paying the U.A. it acts as a disincentive for implementation officials (mostly state govt employees) to grant dated receipts against work applications.

H,Problems on payment of wages:-

Field reports indicate that wage payments are often less than notified wage. This happens due to non-preparation of Schedule of Rate (SoRs) determined through work, time, and motion studies to calculate productivity norms, inadequate staff at GP/Block level & payment of wages through Bank/PO accounts involving 12 crore accounts & 90% wages being paid through these. Since scheme wages are calculated according to piece rate (quantity of work output in a day) due to non revision of SoR, average wage, per day is less than notified wage. (8)* Irregular supervision at worksite also leads to Low productivity, leading to low wages. If there is considerable size of elderly men, women, physically challenged, it also affected productivity.

NSSO Survey on MGNREGA findings Fy 2009-10 indicated that 68% HHs who worked in the scheme in AP got payments within 15days. It is 10% in Rajasthan, 23% in MP. (9)* The CAG report of 2006 pointed out delays in payment in 213GPs across 16 states which include AP, U.P Chhatisgarh Jharkhand, Karnataka W.B. As per CAG audit report No. II -2008 and another field assessment in MP, Gujarat Chhatisgarh, Odisha, revealed that no adequate Junior Engineers, technical assistants, Gram Rozgar-Sevaks, even Programme Officers were available to manage the scheme.

I.Payment through Bank/ PoVProblems.

Gol has made it mandatory for effecting wage payments through accounts of workers opened in Banks/POs except in some pockets for logistic reasons. MGNREGA website reveals nearly 10 crore accounts have been opened in Banks/POs and 80% wage payments are done through this route. NSSO survey of MGNREGA-2010-11 observed that in AP 83% of payments are done through post offices, 4% through Bank a/cs, 6% through smart cards, in case of MP, 19% payments were done through post offices, the same percentage through Banks. In Rajasthan, 52% were paid through post offices, 49% through Banks Still following problems persist necessitating urgent solution.

- i. Poor network of Bank /Pos.
- ii. Non-streamlined record keeping due to lack of staff, heavy workload, hence / non-updation of Pass Books.
- iii. Workers being illiterate need assistance of someone for deposit / withdrawal

- iv. Cash & line limit at branch post offices. In spite of these constraints, out of beneficiaries interviewed at Allahabad & Ranchi 77% Preferred Bank Payment over traditional form of cash payments. (10)*

J. Leakages & Mis-appropriation in scheme implementation.

In spite of ICT interventions, stringent procedures, leakages / corruptions have crept in while implementing the scheme i- Muster Rolls not found at worksites instead, Kutcha entries are found and MRs are prepared after completion of work by adjustment basing in Kutcha entries. CAG Performance Audit Report No. 11.2008 indicated that copies of MRs were not found in 246 GPs around 15 states (including Assam, UP, AP, Chhatisgarh, Odisha, Uttarakhand). Out of 400 beneficiaries in 5 districts of UP, 70% confirmed that attendance entries were done in MRs and made available at worksites. (11)* CAG report has also confirmed that payments are done to ghost/ Fake/ Fictitious, unregistered workers by fabricating MRs accordingly.

K. Use of contractor & machinery.

In the context of Odisha, CAG performance Audit Report No. 11, 2008 revealed 149 works were executed by contractors in between Feb 2006 & March 2007. In Chitradurga district of Karnataka, the CAG audit found that 72% of the total cost of works has been done through machines. In Odisha context, I have encountered this problem as Joint secretary/ Addl. secretary in charge of implementation of the scheme. Job cards are collected from workers, work is done by machines, muster rolls are prepared in the name of workers, wages are credited to their accounts, cash withdrawal forms are collected in advance. By this system, contractors are benefited, machines are used and workers in whose name accounts are operated get a commission of Rs. 10/15/- per day without doing any work. This practice is also going in at present in different pockets of coastal districts within the knowledge of implementation authorities, MoRD, Gol, must have knowledge whether this practice is prevalent in other states or not.

L. Lack of transparency & accountability.

Gram Sabha is the forum for social audit Since GSs are not convened regularly, social audit also suffers. In a study of 12states in India, it was revealed that social audit by GS was seriously carried out in only 10 out of 40 works, in 10 more cases, it was done by Block, in 4 cases by NGOs, in 2 cases by District Admn. In a dozen cases no social audit was done. (12)* NSSO survey of MGNREGA 2010-11 revealed that 28% of HHs in AP reported that GS was held during the financial year to discuss agenda for social audit. It was 42% in MP and 36% in Rajasthan. However, it is admitted that AP has taken some innovative steps for systematizing & streamlining the process of social audit.

M.No effective grievance redressal.

Even though every state has framed its grievance redressal rule, redressal of grievances of stake holders is not upto the mark. In spite of Appointment of Ombudsmen, NLMs, SLMs SQMs the scenario has not improved much. Vigilance cell at the state level should be strengthened by deploying personnel who will be instrumental in curbing corruption and irregularities in implementation. Sec 25 of MGNREGA should be rigorously enforced against the defaulters for pitfalls / loopholes.

N.Odisha specific challenges:-

- i. I have already pointed out in para 'K' that contractors, machines come to picture and JCs are collected & fake MRs prepared, workers get a commission of Rs.10-15/day. This nexus should be broken through any other improved process. This disease must be eradicated or else the scheme will relapse to SGRY syndrome When the beneficiaries become a party to take away their own benefits, the scheme is sure to fail in due course.
- ii. The Act mandates that 1/3 of the labour force will be women and participation of women is more than their quota since operation of the scheme from 2006. It has been conclusively observed in coastal districts of Odisha that women from Brahmin and other high caste community never participate in doing earthwork & any manual labour, that too, in presence of a horde of labourers. This happens due to age-old social taboos. At times their names appear in MRs which is 100% fictitious and once again commission system comes in. This sort of pernicious practice can be done away with by social mobilization and providing work as

per skill of the women. From my experience, I can say with conviction that high caste people, even being poor, never opt for physical work what to speak of ladies, due to pseudo-respect in society.

- iii. Since launching of the scheme. I have watched from close quarters that people's representatives like MLAs, MPs are not involved in a massive way in planning execution & social audit of the scheme. Rather they blame why a Sarpanch is spending 50% of MGNREGA fund. In Odisha context, Zilla parishad is not acting as an executing agency. Hence ZP members do not get involved in the scheme implementation. A flagship scheme of Rs. 40000 crores without the involvement of people's representative, will never be a success.

Since Central Govt. is to run the scheme, it must take steps for meeting the challenges of implementation in view of scheme's inherent necessity for a country like India.

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